ORIGINAL

0000138333

Arizona Corporation Commission
DOCKETED
AUG 15 2012

DOCKETED BY

BEFORE THE ARIZONA CORPORATION

COMMISSIONERS
GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF MORENCI WATER AND ELECTRIC COMPANY FOR APPROVAL OF A RATE INCREASE.	DOCKET NO. E-01049A-11-0300
IN THE MATTER OF THE APPLICATION OF MORENCI WATER AND ELECTRIC COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES FOR ITS WATER DEPARTMENT.	DOCKET NO. W-01049A-11-0311 **STAFF'S NOTICE OF FILING DIRECT TESTIMONY**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby files the Direct Testimony (related to Rate Design and Cost of Service) of Staff witnesses Julie McNeely-Kirwan and D. Bentley Erdwurm in the above-referenced matter.

RESPECTFULLY SUBMITTED this 15th day of August, 2012.

Robin R. Mitchell, Staff Attorney
Maureen A. Scott, Senior Staff Counsel
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

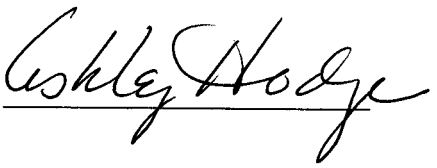
Original and thirteen (13) copies of the foregoing were filed this 15th day of August, 2012 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

RECEIVED
2012 AUG 15 A 9:52
AZ CORP COMMISSION
DOCKET CONTROL

Copies of the foregoing were mailed this 15th day of August, 2012 to:

Michael W. Patten, Esq.
Jason D. Gellman, Esq.
ROSHKA DEWULF & PATTEN, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004
Attorneys for MWE



BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES
Chairman
GARY PIERCE
Commissioner
PAUL NEWMAN
Commissioner
SANDRA D. KENNEDY
Commissioner
BOB STUMP
Commissioner

IN THE MATTER OF THE APPLICATION OF MORENCI WATER & ELECTRIC COMPANY FOR APPROVAL OF A RATE INCREASE	)	DOCKET NO. E-01049A-11-0300
IN THE MATTER OF THE APPLICATION OF MORENCI WATER & ELECTRIC COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES FOR ITS WATER DEPARTMENT	)	DOCKET NO. W-01049A-11-0311

DIRECT RATE DESIGN

TESTIMONY

OF

JULIE MCNEELY-KIRWAN

PUBLIC UTILITIES ANALYST IV

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

AUGUST 15, 2012

TABLE OF CONTENTS

Page

INTRODUCTION 1

SCOPE OF TESTIMONY 1

RATE DESIGN 1

OTHER RATES AND CHARGES 2

LINE EXTENSION AND SERVICE LINE AND METER ADVANCE POLICIES 5

RULES AND REGULATIONS 7

PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE ("PPFAC") 7

PLAN OF ADMINISTRATION 10

SCHEDULES

Electric Rate Components – Revenues at Present & Proposed Rates JKM-1

Bill Impact JMK-2

EXECUTIVE SUMMARY
MORENCI WATER AND ELECTRIC COMPANY
DOCKET NOS. E-01049A-11-0300 AND E-01049A-11-0311

Staff will address Rate Design with respect to Morenci's electric sales (including proposed changes to Other Rates and Charges), the Line Extension and Meter Advance Policies, Rules and Regulations and the Purchased Power and Fuel Adjustment Clause ("PPFAC").

Staff makes the following recommendations

- Staff recommends approval of the rates proposed by Morenci, resulting in zero impacts to Residential and Small Commercial customers;
- Staff recommends that Morenci be allowed to move customers using more than 60,000 kWh per year into a new Large Commercial rate class;
- Staff recommends that, as proposed by Morenci, the basic service charge ("BSC") for Residential and Small Commercial customers be kept at its current $5.50 per month;
- Staff recommends that, as proposed by Morenci, the BSC for Large Commercial customers be increased from $5.50 to $35.00, resulting in a 1.33 percent increase in rates for that class;
- Staff recommends that the Establishment Charge for electrical service be decreased to $40 and that the interest rate on customers' deposits remain at 6 percent;
- Staff recommends that the other rates and charges be set as proposed by Morenci and as discussed in this testimony;
- Staff recommends that the Line Extension and Service Line and Meter Advance Policies remain unchanged, as proposed by Morenci;
- Staff recommends approval of the proposed revised procedure for recovery purchased power costs through the PPFAC, with the modifications and limits proposed by Staff herein; and
- Staff recommends that Morenci file a Plan of Administration, as described herein.

INTRODUCTION

Q. Please state your name, occupation, and business address.

A. My name is Julie McNeely-Kirwan. I am a Public Utilities Analyst IV employed by the Arizona Corporation Commission ("Commission") in the Utilities Division ("Staff"). My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

Q. Have you previously filed testimony in the current rate case?

A. Yes. I filed Direct Testimony concerning the Base Cost of Power, the DSM Adjustor Mechanism and the REST Adjustor Mechanism for Morenci Water & Electric Company ("Morenci").

SCOPE OF TESTIMONY

Q. What is the scope of your testimony?

A. In this Direct Testimony, I will address rate design with respect to Morenci's electric sales (including proposed changes to Other Rates and Charges), the Line Extension and Meter Advance Policies, Rules and Regulations and the Purchased Power and Fuel Adjustment Clause ("PPFAC").

RATE DESIGN

Q. Has Staff prepared a schedule showing the existing rates and Staff's recommended rates?

A. Yes. Schedule JMK-1 shows existing rates and Staff's recommended rates, which are the same as those proposed by Morenci. Staff has also prepared Schedule JMK-2, which shows the impact of the increase to the Basic Service Charge ("BSC") proposed by Morenci and Staff.

Q. Are there any significant differences between the existing rate structure and the proposed rate structure?

A. Yes. Currently, Morenci has only two rate classes: Residential and Commercial. (Mining customers are served under special contracts.) Morenci has proposed to create a new Large Commercial customer class for Commercial customers using over 60,000 kWh per year. Morenci has proposed to increase the monthly BSC for these customers from $5.50 to $35.00. There are 36 customers in this class.

Q. Does Staff concur with this proposal?

A. Yes. The current $5.50 BSC has been in place since 1985 and is the same for Residential customers and for all Commercial customers regardless of size. Most Arizona utilities have multiple non-residential customer classes based on usage (or demand), and higher usage is generally associated with higher monthly service charges. Staff believes that the increase from $5.50 to $35.00 for Large Commercial customers is reasonable.

Q. Please describe Staff's proposed rate design and its effect on Morenci's three customer classes.

A. As shown in Schedule JMK-1, under the proposed rates at the Test Year consumption level, revenue from non-contract customers would increase by 0.51 percent. There would be no increase for Residential or Small Commercial customers, but Large Commercial customers would experience an overall 1.33 percent annual increase to their rates.

OTHER RATES AND CHARGES

Q. Is Morenci proposing changes to its other rates and charges?

A. Yes. Morenci is proposing changes to some of its other rates and charges. Proposed changes are noted in bold.

DESCRIPTION	PRESENT RATE	PROPOSED RATE	STAFF PROPOSAL
Establishment of Service			
Regular Hours	$60.00	$60.00	**$40**
After Hours	$60.00	$60.00	**$40**
Re-Establishment of Service			
Monthly Minimum Times Month Disconnected (minimum 3 months)	$16.50	$16.50	$16.50
Re-Connection of Service			
Regular Hours	$10	**$30**	**$30**
After Hours	$10	**$50**	**$50**
Charge for moving meter at customer's request	Cost	Cost	Cost
Customer Requested Meter Test (if Meter accurate)	Cost	Cost	Cost
Customer Requested Re-Read (if correct)	$10	**$25**	**$25**
NSF Check	$10	**$25**	**$25**
Late Charge	1.5% per month	1.5% per month	1.5% per month
Deposit Requirement	Per Rule	Per Rule	Per Rule
Interest on Customer Deposits	6%	**2%**	**6%**

Q. Please discuss the Establishment of Service charge.

A. In discussions with Staff, Morenci indicated that there is a $60 Establishment of Service charge for electric service and a separate and additional $60 Establishment of Service charge for water service. Staff notes that this charge has been in place since 1985, that Morenci is proposing to maintain rates at their 1985 levels for all but the Large Commercial class (which will experience a 1.33 percent overall increase), and that no complaints or opinions have been filed concerning this charge since at least January 2009. However, at $60, Morenci's Establishment of Service charge is out of line with other utilities and is not reasonable. Staff recommends that the Establishment of Service fee be reduced to $40.

Q. Should Morenci's revenue requirement be adjusted in light of this proposed change?

A. No. The impact of this proposed revision to Morenci's is *de minimis* and does not require an adjustment to the Morenci's revenue requirement.

Q. Please discuss the Re-Establishment of Service charge and the charge for moving the meter at the customer's request.

A. Morenci is not proposing to change its Re-Establishment of Service charge, which has been in place since 1985, nor has it proposed to change the monthly minimum that is the basis for the Re-Establishment of Service charge. Staff agrees that it is reasonable to maintain the Re-Establishment of Service charge at its current level.

Morenci is also not proposing to change the charge for moving a meter at the customer's request. Morenci sets the charge for this service at Morenci's cost. Staff agrees that it is reasonable to maintain the charge for moving a meter at a customer's request at cost.

Q. Please discuss the proposed changes to the Re-Connection of Service and Customer Requested Meter Re-Read fees.

A. The current charges have been in place since 1985, and Staff believes the proposed increases are reasonable. Based on information provided by Morenci, the Re-Connection of Service and Meter Re-Read charges proposed by Morenci are lower than the actual cost of providing these services.

Staff notes that customers would not be charged for a Customer Requested Re-read, in the event the original read was incorrect.

Q. Please discuss the charge for the Customer Requested Meter Test.

A. Morenci is not proposing to change the charge for testing a meter at the customer's request. Morenci sets the charge for this service at Morenci's cost. Staff agrees that it is reasonable to maintain the charge for testing a meter at a customer's request at cost.

Staff notes that customers would not be charged for a Customer Requested Meter Test, if the meter is found to be inaccurate.

Q. Please discuss the NSF Check charge and the Late Charge.

A. Morenci is proposing to increase the NSF Check charge from $10 to $25. A $25 charge for NSF Checks is the approximate standard among Arizona utilities and is reasonable.

Morenci proposes to maintain the late charge at its current level of 1.5 percent per month. Staff views this charge as reasonable.

Q. What is Staff's recommendation regarding Morenci's proposed change to the interest rate on customer deposits.

A. Staff recommends that the interest rate on customer deposits remain at 6%.

LINE EXTENSION AND SERVICE LINE AND METER ADVANCE POLICIES

Q. What is Morenci's current line extension policy for electric customers?

A. Residential customers are allowed up to 100 feet of free footage. Non-residential customers receive no free footage.

For customers whose line extensions exceed the allowable free footage, after taking the free footage into account, Morenci considers the estimated cost of construction, the

estimated operating revenues, and the estimated operating expenses in order to determine the required advance. Any part of the advance paid by the customer not refunded after five years is considered a contribution in aid of construction and is no longer refundable.

Q. Is Morenci proposing to change its electric line extension policy?

A. No. Roy Archer, on page 24 of his Direct Testimony, states that the existing line extension policies are appropriate, and that changing the policies would neither spur nor inhibit growth. Morenci experiences little growth and its service territory is relatively small, with limited potential for lengthy line extensions.

Q. Does Staff agree that Morenci's current line extension policy does not need to be changed?

A. Yes. Staff agrees that Morenci's current line extension policy is appropriate.

Q. Please describe Morenci's service line and meter advance policy for its Electric Department.

A. Morenci has the same free footage allowance in its service line and meter advance policy as it has in its line extension policy: 100 feet for residential customers and nothing for non-residential customers. Customers pay for any excess beyond the free footage as a contribution in aid of construction. There is a $50 advance refundable at 10 percent of the annual net revenues from the meter, applied as a credit to the customer's November bill each year, until fully paid.

Q. Is the Company proposing to change its service line and meter advance policy?

A. Morenci is not proposing any substantive changes to its service line and meter advance policy for the Electric Department.

RULES AND REGULATIONS

Q. Is Morenci planning to make any substantive changes to its Rules and Regulations?

A. No. Morenci has adopted the Rules of the Commission as the basis for its operating procedures. For electric service, A.A.C. R14-2-201 through R14-2-213 will be controlling for electric service, absent any Commission orders providing otherwise.

PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE ("PPFAC")

Q. What is the Company proposing with respect to the PPFAC?

A. In his supplemental testimony, Morenci witness Dan Neidlinger proposed a revised procedure for recovering purchased power costs through Morenci's Purchased Power and Fuel Adjustor Clause ("PPFAC").

Q. How much of its energy supply does Morenci purchase?

A. All of it. Morenci has no generating facilities.

Q. Would this proposed revised procedure impact all of Morenci's purchased power costs?

A. No. Approximately 98 percent of Morenci's power goes to the Morenci and Safford mines under special contracts, and is not recovered through the PPFAC. Under these special contracts, Morenci recovers the actual purchased power costs from the mines each month. Morenci does not, at this time, propose to revise the method for recovering power provided under the special contracts.

Q. What customers would be impacted by Morenci's proposed revised procedure for recovering purchased power costs through the PPFAC?

A. Its non-mining Residential and Non-residential customers, who purchase approximately 2 percent of its load.

Q. Please describe the revised procedure for recovering purchased power costs through Morenci's PPFAC.

A. Morenci proposes to reset the PPFAC every six months on an automatic basis, without Commission approval, but subject to Staff review. The resets would be implemented on June 1 and December 1 of each year, and incorporating a true-up and a forward component. Morenci would file its application in Docket Control and provide Staff with detailed calculations supporting the adjustor resets on April 15th and October 15th of each year. The rates would go into effect on June 1 and December 1, unless suspended by the Commission.

Q. What is the purpose of the proposed revision to the procedure for recovering purchased power costs through Morenci's PPFAC?

A. On page 2 of his supplemental testimony, Dan Neidlinger states that the revised procedures for recovering purchased power costs through the PPFAC would provide for "more timely changes to the PPFAC adjustor thereby eliminating these large swings in under/over-collected balances." He states that the new procedures should also "provide for better stabilization of monthly bills to residential and commercial customers."

Q. What are the potential benefits to ratepayers of the new procedure proposed by Morenci?

A. The potential benefits include the more timely return of over-collected balances and an increased chance of avoiding large under-collected balances (the recovery of which can lead to rate shock).

Q. Has Morenci proposed a cap in relation to its proposed revised procedure for recovering purchased power costs through its PPFAC?

A. Yes. Morenci has proposed an overall cap equal to 1.25 percent of its proposed base cost of $0.0500, meaning that the PPFAC rate can not be increased to more than $0.01250 per kWh.

Q. Does Staff concur with Morenci's proposed cap on increases?

A. No. Instead, Staff proposes a cap on increases of $0.00400 every six months. This would allow an increase of $2.42 on an average Residential bill of $51.57, or an approximately 4.68 percent increase every six months. Staff's cap would limit rate shock for Morenci customers and also allows Morenci flexibility over time.

Q. Would Staff's proposed cap apply to decreases to the PPFAC?

A. No. Staff's proposed cap would not apply to decreases. Morenci may decrease the PPFAC rate to whatever level is required in order to appropriately address any over-collections.

Q. Does Staff have any specific recommendations concerning Morenci's proposed semi-annual filing?

A. Yes. If a revised PPFAC procedure is approved, Staff recommends that the applications include bill impacts on Residential customers of any proposed increase or decrease in the PPFAC rate.

Q. Does Staff have any recommendations concerning Morenci's proposed revision to the procedure for recovering purchased power costs?

A. Yes. Staff should retain the ability to bring resets of the PPFAC rate before the Commission outside of the twice-yearly automatic process discussed herein, based on new information or in the event that issues arise with respect to the PPFAC rate.

Q. What if Morenci develops an under-collected balance that can not be resolved through the process proposed by Morenci?

A. Morenci would then be able to file for an increase greater than allowed by the cap, although such an increase would require Commission review and approval and would not be part of the automatic process proposed by Morenci.

Q. Would the cap apply to any adjustment ordered by the Commission outside the twice-yearly automatic process?

A. No.

PLAN OF ADMINISTRATION

Q. Should Morenci file a Plan of Administration?

A. Yes. Morenci should file a proposed Plan of Administration ("POA") for its PPFAC in this docket as a compliance item, within 90 days after the completion of the current rate

case. The POA should be filed for Staff's review and recommendation, subject to the Commission's approval.

Q. What should be included in the POA?

A. The POA should include, but not be limited to, definitions, procedural details, types of allowable costs, schedules, and reporting requirements.

Q. Does this conclude your Direct Rate Design Testimony?

A. Yes, it does.

SCHEDULE JMK-1

ELECTRIC RATE COMPONENTS - REVENUES AT PRESENT & PROPOSED RATES

TEST YEAR ENDED 12/31/10

CUSTOMER CLASS	PRESENT RATES RATE	PRESENT RATES UNITS	PRESENT RATES REVENUE	STAFF AND COMPANY PROPOSED RATES RATE	STAFF AND COMPANY PROPOSED RATES UNITS	STAFF AND COMPANY PROPOSED RATES REVENUE	% INCREASE	DOLLAR INCREASE
RESIDENTIAL:								
BSC	$5.50	24,911	$137,011	$5.50	24,911	$137,011		
Base Cost of Purchased Power per kWh	$0.07522	15,054,826	1,132,424	$0.05000	15,054,826	752,741		
Distribution Cost per kWh	$0.02628	15,054,826	395,641	$0.02628	15,054,826	395,641		
PPFAC Revenue	-$0.02522	15,054,826	-379,683	$0.00000	15,054,826	0		
							% Increase (class)	Increase (class)
Total Revenue			$1,285,393			$1,285,393	0.00%	$0.00
SMALL COMMERCIAL:								
BSC	$5.50	2,650	$14,575	$5.50	2,650	$14,575		
Base Cost of Purchased Power per kWh	$0.07522	3,343,364	251,488	$0.05000	3,343,364	167,168		
Distribution Cost per kWh	$0.02628	3,343,364	87,864	$0.02628	3,343,364	87,864		
PPFAC Revenue	-$0.02522	3,343,364	-84,320	$0.00000	3,343,364	0		
							% Increase (class)	Increase (class)
Total Revenue			$269,607			$269,607	0.00%	$0.00
LARGE COMMERCIAL (60,000+ kWh per year)								
BSC (1)	$5.50	432	$2,376	$35.00	432	$15,120		
Base Cost of Purchased Power per kWh	$0.07522	12,540,824	943,321	$0.05000	12,540,824	627,041		
Distribution Cost per kWh	$0.02628	12,540,824	329,573	$0.02628	12,540,824	329,573		
PPFAC Revenue	-$0.02522	12,540,824	-316,280	$0.00000	12,540,824	0	% Increase (class)	Increase (class)
(1) The $35.00 rate would apply to customers using over 60 kWh per year.			$958,990			$971,734	1.33%	$12,744
			TOTAL			TOTAL		
			$2,513,989	Non-Contract Customers		$2,526,733		
				Contract Customers - Mines		70,658,897	% Increase (Total)	Dollar Increase (Total)
							0.51%	$12,744
				Total Electric Sales		$73,185,630		
				Other Revenues		490,444		
				Total Revenues		$73,676,074		
				Purchased Power Recon. Adj.		-31,233		
				Total Adj. Revenues		$73,644,841		
				Total Rev. Per Staff Report		73,644,819		
				Difference		$22		

Bill Impact **SCHEDULE JKM-2**

BILL AT: (1)

TOMER CLASS	KWH USAGE	PRESENT RATES (2)	PROPOSED RATES (2)	PERCENT INCREASE
LARGE COMMERCIAL:				
	5,000	386.90	416.40	7.08%
	7,500	577.60	607.10	4.86%
	10,000	768.30	797.80	3.70%
	15,000	1,149.70	1,179.20	2.50%
	20,000	1,531.10	1,560.60	1.89%
	25,000	1,912.50	1,942.00	1.52%
	50,000	3,819.50	3,849.00	0.77%
	75,000	5,726.50	5,756.00	0.51%
	100,000	7,633.50	7,663.00	0.38%
Average Bill	29,030	$2,219.91	$2,249.41	1.31%
Median Bill	10,500	$806.44	$835.94	3.53%

NOTES:
(1) Excluding Revenue Taxes and Renewable Energy Charges
(2) Present and Proposed Rates Include Base Cost of Purchased Power of $0.0500 Per kWh

Note: There are zero impacts for Residential and Small Commercial (under 60,000 kWh per year) customers.
The dollar impact for each Large Commercial (60,000 kWh per year year more) customer is $29.50 per month.

BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE
Chairman
BOB STUMP
Commissioner
SANDRA D. KENNEDY
Commissioner
PAUL NEWMAN
Commissioner
BRENDA BURNS
Commissioner

IN THE MATTER OF THE APPLICATION OF MORENCI WATER & ELECTRIC COMPANY FOR APPROVAL OF A RATE INCREASE	)	DOCKET NO. E-01049A-11-0300
IN THE MATTER OF THE APPLICATION OF MORENCI WATER & ELECTRIC COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES FOR ITS WATER DEPARTMENT	)	DOCKET NO. W-01049A-11-0311

DIRECT

TESTIMONY

(RATE DESIGN – WATER)

OF

BENTLEY ERDWURM

PUBLIC UTILITIES ANALYST

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

AUGUST 15, 2012

TABLE OF CONTENTS

		PAGE
I.	INTRODUCTION	1
II.	RATE DESIGN	4

SCHEDULES

Rate Recommendations - Step 1	DBE-1
Rate Recommendations - Step 2	DBE-2
Rate Recommendations - Step 3	DBE-3
Bill Comparisons – Comparison of Present Rates & Company Proposal	DBE-4
Bill Comparisons – Comparison of Present Rates & Staff Proposal	DBE-5
Class Revenues – Step 1	DBE-6
Class Revenues – Step 2	DBE-7
Class Revenues – Step 3	DBE-8

EXECUTIVE SUMMARY
MORENCI WATER AND ELECTRIC COMPANY
DOCKET NO. E-01049A-11-0300 AND W-01049A-11-0311

This testimony includes Staff recommendations for the Water Department of Morenci Water and Electric Company ("Company") related to rate design, and to Other Rates and Charges. Staff's rate design recommendations are consistent with the cost of providing service, and for non-industrial customers include an inclining block ("tier") structure under which the unit price of water increases as usage increases. The inclining block structure, also proposed by the Company, promotes the efficient use of water. Staff recommends expanding the price differentials between tiers. Staff recommends removing all water usage currently included in the monthly basic service charge to avoid the appearance that water usage is "free." This sends a stronger price signal to use water efficiently. The consequence of Staff's rate proposals is to reduce the level of increase in bills for the median and average customers, relative to the Company's proposals.

Staff recommends some adjustments to the Company's proposed monthly basic service charges to better reflect the potential rates of water use (i.e., instantaneous demand) associated with different meter sizes. Staff recommends a flat rate structure for industrial customers. Both the Company and Staff are recommending that Morenci and Clifton customers continue to be served under separate rate structures and that the rate increase be phased in over three steps.

Impacts on average and median customers for Morenci and Clifton are shown on the following summaries.

MORENCI WATER & ELECTRIC - WATER DEPARTMENT
BILL IMPACTS FOR AVERAGE AND MEDIAN CUSTOMERS

MORENCI
COMPANY PROPOSAL

Cumulative Changes in Bills from Present Levels

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	COMPANY PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 1	% Change PRESENT to COMPANY PROPOSED STEP 1	COMPANY PROPOSED STEP 2 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 2	% Change PRESENT to COMPANY PROPOSED STEP 2	COMPANY PROPOSED STEP 3 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 3	% Change PRESENT to COMPANY PROPOSED STEP 3
Morenci Average	8,675	$ 21.01	$ 23.02	$ 2.01	9.57%	$ 25.35	$ 4.34	20.66%	$ 27.78	$ 6.77	32.24%
Morenci Median	5,000	$ 13.88	$ 15.85	$ 1.97	14.19%	$ 18.00	$ 4.12	29.68%	$ 20.25	$ 6.37	45.89%

Incremental Changes in Bills - "Step by Step"

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	COMPANY PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 1	% CHANGE PRESENT to COMPANY PROPOSED STEP 1	COMPANY PROPOSED STEP 2 BILL	BILL CHANGE COMPANY PROPOSED STEP 1 to STEP 2	% CHANGE COMPANY PROPOSED STEP 1 to STEP 2	COMPANY PROPOSED STEP 3 BILL	BILL CHANGE COMPANY PROPOSED STEP 2 to STEP 3	% CHANGE COMPANY PROPOSED STEP 2 to STEP 3
Morenci Average	8,675	$ 21.01	$ 23.02	$ 2.01	9.57%	$ 25.35	$ 2.33	9.19%	$ 27.78	$ 2.43	8.76%
Morenci Median	5,000	$ 13.88	$ 15.85	$ 1.97	14.19%	$ 18.00	$ 2.15	11.94%	$ 20.25	$ 2.25	11.11%

NOTE: Assumes 5/8-Inch Meter

MORENCI WATER & ELECTRIC - WATER DEPARTMENT
BILL IMPACTS FOR AVERAGE AND MEDIAN CUSTOMERS

MORENCI
STAFF PROPOSAL

Cumulative Changes in Bills from Present Levels

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	STAFF PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 1	% Change PRESENT to STAFF PROPOSED STEP 1	STAFF PROPOSED STEP 2 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 2	% Change PRESENT to STAFF PROPOSED STEP 2	STAFF PROPOSED STEP 3 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 3	% Change PRESENT to STAFF PROPOSED STEP 3
Morenci Average	8,675	$ 21.01	$ 21.12	$ 0.11	0.52%	$ 23.43	$ 2.42	11.52%	$ 25.43	$ 4.42	21.04%
Morenci Median	5,000	$ 13.88	$ 14.52	$ 0.64	4.61%	$ 15.50	$ 1.62	11.67%	$ 16.37	$ 2.49	17.94%

Incremental Changes in Bills - "Step by Step"

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	STAFF PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 1	% CHANGE PRESENT to STAFF PROPOSED STEP 1	STAFF PROPOSED STEP 2 BILL	BILL CHANGE STAFF PROPOSED STEP 1 to STEP 2	% CHANGE STAFF PROPOSED STEP 1 to STEP 2	STAFF PROPOSED STEP 3 BILL	BILL CHANGE STAFF PROPOSED STEP 2 to STEP 3	% CHANGE STAFF PROPOSED STEP 2 to STEP 3
Morenci Average	8,675	$ 21.01	$ 21.12	$ 0.11	0.52%	$ 23.43	$ 2.31	9.86%	$ 25.43	$ 2.00	7.86%
Morenci Median	5,000	$ 13.88	$ 14.52	$ 0.64	4.61%	$ 15.50	$ 0.98	6.32%	$ 16.37	$ 0.87	5.31%

NOTE: Assumes 5/8-Inch Meter

MORENCI WATER & ELECTRIC - WATER DEPARTMENT
BILL IMPACTS FOR AVERAGE AND MEDIAN CUSTOMERS

CLIFTON
COMPANY PROPOSAL

Cumulative Changes in Bills from Present Levels

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	COMPANY PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 1	% Change PRESENT to COMPANY PROPOSED STEP 1	COMPANY PROPOSED STEP 2 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 2	% Change PRESENT to COMPANY PROPOSED STEP 2	COMPANY PROPOSED STEP 3 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 3	% Change PRESENT to COMPANY PROPOSED STEP 3
Clifton Average	7,268	$16.96	$ 18.69	$1.73	10.20%	$ 20.66	$3.70	21.82%	$ 22.72	$5.76	33.96%
Clifton Median	4,800	$12.93	$ 14.62	$1.69	13.07%	$ 16.46	$3.53	27.30%	$ 18.40	$5.47	42.30%

Incremental Changes in Bills - "Step by Step"

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	COMPANY PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to COMPANY PROPOSED STEP 1	% CHANGE PRESENT to COMPANY PROPOSED STEP 1	COMPANY PROPOSED STEP 2 BILL	BILL CHANGE COMPANY PROPOSED STEP 1 to STEP 2	% CHANGE COMPANY PROPOSED STEP 1 to STEP 2	COMPANY PROPOSED STEP 3 BILL	BILL CHANGE COMPANY PROPOSED STEP 2 to STEP 3	% CHANGE COMPANY PROPOSED STEP 2 to STEP 3
Clifton Average	7,268	$16.96	$18.69	$1.73	10.20%	$20.66	$ 1.97	9.54%	$22.72	$ 2.06	9.07%
Clifton Median	4,800	$12.93	$14.62	$1.69	13.07%	$16.46	$ 1.84	11.18%	$18.40	$ 1.94	10.54%

NOTE: Assumes 5/8-Inch Meter

MORENCI WATER & ELECTRIC - WATER DEPARTMENT
BILL IMPACTS FOR AVERAGE AND MEDIAN CUSTOMERS

CLIFTON
STAFF PROPOSAL

Cumulative Changes in Bills from Present Levels

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	STAFF PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 1	% Change PRESENT to STAFF PROPOSED STEP 1	STAFF PROPOSED STEP 2 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 2	% Change PRESENT to STAFF PROPOSED STEP 2	STAFF PROPOSED STEP 3 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 3	% Change PRESENT to STAFF PROPOSED STEP 3
Clifton Average	7,268	$16.96	$ 17.33	$0.37	2.18%	$ 19.02	$2.06	12.15%	$ 20.69	$3.73	21.99%
Clifton Median	4,800	$12.93	$ 13.75	$0.82	6.34%	$ 14.61	$1.68	12.99%	$ 15.46	$2.53	19.57%

Incremental Changes in Bills - "Step by Step"

CUSTOMER	MONTHLY USAGE - GALLONS	PRESENT BILL	STAFF PROPOSED STEP 1 BILL	BILL CHANGE PRESENT to STAFF PROPOSED STEP 1	% CHANGE PRESENT to STAFF PROPOSED STEP 1	STAFF PROPOSED STEP 2 BILL	BILL CHANGE STAFF PROPOSED STEP 1 to STEP 2	% CHANGE STAFF PROPOSED STEP 1 to STEP 2	STAFF PROPOSED STEP 3 BILL	BILL CHANGE STAFF PROPOSED STEP 2 to STEP 3	% CHANGE STAFF PROPOSED STEP 2 to STEP 3
Clifton Average	7,268	$16.96	$17.33	$0.37	2.18%	$19.02	$ 1.69	8.89%	$20.69	$ 1.67	8.07%
Clifton Median	4,800	$12.93	$13.75	$0.82	6.34%	$14.61	$ 0.86	5.89%	$15.46	$ 0.85	5.50%

NOTE: Assumes 5/8-Inch Meter

I. INTRODUCTION

Q. Please state your name, occupation, and business address.

A. My name is Bentley Erdwurm. I am employed by the Arizona Corporation Commission ("ACC" or "Commission") in the Utilities Division ("Staff"). My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

Q. Briefly describe your responsibilities.

A. I perform cost-of-service, rate design, economic, statistical and regulatory policy analyses and as an expert witness prepare reports and testimonies to present Staff's recommendations to the Commission.

Q. Please describe your educational background and professional experience.

A. I earned my Master of Science in Economics from Texas A&M University, and my Bachelor of Arts from the University of Dallas. I have over thirty years of utility experience in the areas of cost allocation and rate design, forecasting, valuation and fair market value determination, and utility acquisitions. I have testified before state regulators in Arizona, Texas and Alabama on these issues. I have been employed by the Public Utility Commission of Texas (1982-85), Alabama Gas Corporation (1985-91), Tucson Electric Power Company (1991-99 and 2006-10) and Arizona Public Service Company (1999-2005).

Q. What is the scope of your testimony in this case?

A. I am presenting Staff's analysis and recommendations regarding rate design for the Morenci Water & Electric Company's ("Company") water system, which serves Morenci customers and Clifton customers under separate tariffs. Additionally, I am addressing the levels of the Other Rates and Charges (establishment and reestablishment of service,

reconnection, meter test, meter re-read, non-sufficient fund ("NSF") charges, late charge, and interest paid by the Company on customer deposits), as applicable to water customers.

Q. Please summarize your recommendations.

A. First, Staff agrees with the Company's proposal that separate rates should apply to the Morenci and Clifton service areas. Currently, Morenci and Clifton customers are served under separate rates.

Second, Staff supports a phase-in of rates as proposed by the Company subject to Staff's proposed rate modifications as addressed herein. A three-step phase-in helps mitigate sudden large increases in customers' bills and provides time for customers to adopt lifestyle changes that may affect their patterns of water use.

Third, Staff agrees with the Company's proposal to remove from the monthly basic service charge (customer charge) the first 3,000 gallons of monthly water use that currently is included in the charge.

Fourth, Staff proposes an inclining block (inclining tiered) rate structure such that the first tier price (i.e., the price for the first 3,000 gallons of monthly water usage) is lower than the second tier price, and the second tier price is lower than the third tier price. The third tier price is applicable to consumption in excess of some threshold level that typically exceeds usage attained by smaller customers in a customer group (e.g., customers served with a certain sized meter). The Company has also proposed an inclining block rate structure; however, Staff's recommended design incorporates a larger price differential between the second and third (highest) tiers. From the standpoint of this price differential, Staff's design is "more inclining." The consequence of Staff's rate proposal is to reduce

the level of increase in bills for the median and average customers, relative to the Company's proposals. Under Staff's proposals, the highest usage customers will generally pay a higher average price for the water commodity, a result conducive to promoting the efficient use of water.

Fifth, Staff recommends some adjustments to the Company's proposed monthly basic service charges to better reflect the potential rates of water use (i.e., instantaneous demand) associated with different meter sizes. Concurrently, Staff recommends adjustment in the size of usage tiers associated with different meter sizes. Larger meters provide customers the ability to use water at faster rates. This potential demand may necessitate added infrastructure. Customers with larger meters should pay higher monthly basic service charges to reflect their higher potential usage rates; however, these customers also should be able to purchase more water under the lower priced tier(s). Staff is recommending that tiers be sized to prevent situations where a customer has an incentive to "game" the tariff by requesting an unnecessarily large meter solely to qualify to purchase more gallons at a lower price per unit. The Company's proposed rates in some instances provide incentives to request an overly large meter.

Sixth, Staff recommends a flat rate structure for industrial customers.

And seventh, Staff recommends approval of Other Rates and Charges (establishment and reestablishment of service, reconnection, meter test, meter re-read, NSF charges, late charge, and interest paid by the Company on customer deposits) as applicable to water customers as proposed by the Company, except that the $60.00 fee for service establishment should be reduced to $40.00, and that the level of interest on customer deposits should remain at the current level.

II. RATE DESIGN

Q. Please discuss further the issue of removing the 3,000 gallons of water use from the monthly basic service charge.

A. The practice of including the first 3,000 gallons of monthly water use in the basic service charge sends a false price signal that the reduction in a customer's water use from 3,000 to 2,000 (or to 1,000 or zero) provides no benefit to the system. Efficient pricing requires that the price of any product should reflect additional costs incurred to supply the product. Currently, the customer pays no additional charge when he increases usage from zero to 3,000 gallons per month. The first 3,000 gallons of water appears free, so there is less incentive to use water wisely. The Company has proposed a gradual phasing-out of the free water use in the monthly basic service charge. Under the Company's proposal, the "free" water use is reduced to 2,000 gallons per month in Step 1 of the rate implementation, further reduced to 1,000 gallons per month in Step 2, and eliminated entirely in Step 3. Staff proposes removing from the monthly basic service charge all 3,000 gallons of free water use per month in Step 1 of the phased rate increase. Under the Staff proposal, the first tier of water use will be defined as the first 3,000 gallons of monthly usage under all three steps of the rate phase-in. Under Staff's proposal, water use never appears free.

Q. Please further discuss Staff's recommended inclining block (inclining tier) rate design structure?

A. With an inclining block structure the average price per unit for the commodity component of the bill increases as usage increases. Inclining block structures encourage the efficient use of scarce water resources. Staff's recommended rates (with the exception of the industrial rate) follow a three-tiered structure with first-tier consumption priced at the lowest level and third-tier consumption priced at the highest level. Under Staff's

recommendations, the first tier is defined as the first 3,000 gallons of water use per month (i.e., 1-3,000 gallons). For customers with a 5/8-inch meter (the majority of customers on the system), Staff recommends that the second tier be defined as the *next* 5,000 gallons of water use per month (i.e., 3,001-8,000 gallons), and that the third tier be defined as water use in excess of 8,000 gallons per month. Under Staff's recommendation the size of the second tier of consumption (in gallons per month) - and therefore the threshold for third tier consumption - increases as meter size increases.

Q. Please explain why monthly basic service charges increase as meter size increases.

A. A customer with a larger meter has the ability to consume more water over any given period of time. Staff's proposed monthly basic service charges are based, in part, on the cross-sectional area of the meter. The cross sectional area determines the maximum *rate* at which a customer could use water. Increasing this rate of potential water use may require an expansion in a system's capacity needs and increase the capital spending necessary to meet these needs. More closely tying a customer's monthly basic service charge to meter size more fairly allocates "demand-related" system costs to customers whose meter choice may necessitate increased capital spending.

Q. Has the Company proposed larger monthly basic service charges for larger meters.

A. Yes. However, relative to Staff's recommended charges, the Company-proposed monthly basic service charges are less correlated with meter size. As such, some of the Company-proposed charges understate the potential for customers with larger meters to impose demands on the water system. Monthly basic service charges currently are not differentiated by meter size; therefore the Company's proposed rate structures with less variation in monthly basic service charges result in smaller bill impacts to some customers with larger meter size and relatively low use (given the meter size). The Company's

proposed rate design adheres to the rate design goal of "gradualism", which is characterized by tempered rate structure changes that help mitigate the size of adverse bill impacts. However, gradualism is not the only goal of rate design. Rates must also reflect cost causation to be fair to the various customers. Staff's recommendations facilitate a more equitable recovery of system costs, appropriately reducing the cost burden borne by customers with smaller meters and increasing the burden on customers with larger meters. This change in rate structure is timely and appropriate given the larger potential demands of customers with larger meters, and given that a substantial portion of costs are recovered through the monthly basic service charges.

Q. You stated that Staff is recommending that tiers be sized to prevent situations where a customer has an incentive to "game" the tariff. Please discuss.

A. Staff recommended tier size is set to eliminate opportunities for a customer to request an unnecessarily large meter solely to qualify to purchase more gallons at a lower price per unit. Customers with larger meters pay higher basic service charges, but also should be able to purchase more gallons of water at the lower price associated with a lower tier. If for a certain meter size and for the next larger meter size there exists too small a differential (or a nonexistent differential) between the monthly basic service charges relative to the value associated with being able to purchase more gallons under a low-priced tier, a customer has an incentive to request the larger meter solely to lower his monthly bill, and not because he requires the ability to consume water at a faster rate. This perverse incentive could promote the installation of overly large (and unnecessary) facilities, and would be contrary to the efficient use of resources.

Q. Did Staff incorporate the inclining tiered rate structure into the industrial rate?

A. No. Industrial customers often use water in quantities that can justify more concerted efforts on the part of these customers to curtail wasteful or unnecessary water use. The "flat rate" industrial recommendation is consistent with Staff's recommendations for recent water cases filed with the Commission. Specifically, Staff supported flat industrial rates in the Arizona Water Company - Western System general rate case (Docket No. W-01445A-10-0517); flat industrial rates were incorporated into the associated 2012 Settlement Agreement applicable to Arizona Water Company - Western System; and Staff supported flat industrial rates in the Arizona Water Company - Eastern System (Docket No. W-01445A-11-0310).

Q. What factors influence your rate design recommendations?

A. In addition to sending price signals that encourage the efficient use of water, Staff considered cost-of-service, the ability of customers to understand the rate design, usage trends, potential impacts of the rate design on the Company and the matching of revenue generated and costs incurred to provide service, customer impacts, and the ability of low-income and fixed-income customers to afford a level of service sufficient for basic needs. While Staff considered a larger price differential between rate tiers to provide additional incentives to use resources wisely, Staff's rates limit the differential to mitigate the potential compounding of adverse rate impacts related to the varied and significant proposed rate design changes. As mentioned above, Staff's proposed changes in monthly basic service charges, while appropriate to reflect costs, already result in some significant bill impacts.

Q. Did you prepare a summary of the Company's proposed rates and Staff's recommended rates?

A. Yes. Schedules DBE-1, DBE-2 and DBE-3 present a summary of the Company's and Staff's proposed rates, along with details on tiers for Step 1, Step 2, and Step 3, respectively.

Q. Did Staff prepare typical bill analyses?

A. Yes. Schedules DBE-4 and DBE-5 show present and proposed monthly bills under Company proposed rates and Staff recommended rates, respectively.

Q. Did Staff prepare analyses of revenue recovery by meter size?

A. Yes. Schedule DBE-6, Schedule DBE-7 and Schedule DBE-8 show the expected revenues for the Morenci and Clifton portions of the Company's water system resulting from the application of rates (Company and Staff-proposed) to billing determinants (number of bills and usage by tier). Rates are designed to produce revenues as recommended by Staff witness Ms. Crystal Brown.

Q. Please discuss Staff's recommendations on Other Rates and Charges (establishment and reestablishment of service, reconnection, meter test, meter re-read, NSF charges, late charge, and interest paid by the Company on customer deposits) as applicable to water customers as proposed by the Company.

A. Staff recommends approval of most Other Rates and Charges as applicable to water customers, as proposed by the Company. Staff's recommends, however, that the current $60.00 fee for Establishment of Service be reduced to $40.00, and that the level of interest on customer deposits should remain at the current level.

1 **Q. Does this conclude your Direct Testimony?**

2 A. Yes, it does.

----- STEP 1 -----

STEP 1 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

5/8"- 3/4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal. Over 3,000	$ 1.94	$ 1.63
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	no charge
2,001-10,000 Gal.	$ 1.95	$ 1.65
Over 10,000 Gal.	$ 2.20	$ 2.00
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$ 9.50	$ 9.50
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$ 0.55	$ 0.55
3,001-8,000 Gal.	$ 1.69	$ 1.45
Over 8,000 Gal.	$ 2.27	$ 2.03

1" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	no charge
2,001-10,000 Gal.	$1.95	$1.65
Over 10,000 Gal.	$2.20	$2.00
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$10.50	$10.50
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-10,000 Gal.	$1.69	$1.45
Over 10,000 Gal.	$2.27	$2.03

1 1/2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$15.00	$15.00
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	no charge
2,001-50,000 Gal.	$1.95	$1.65
Over 50,000 Gal.	$2.20	$2.00
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$26.25	$26.25
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-37,000 Gal.	$1.69	$1.45
Over 37,000 Gal.	$2.27	$2.03

2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$20.00	$20.00
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	no charge
2,001-100,000 Gal.	$1.95	$1.65
Over 100,000 Gal.	$2.20	$2.00
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$42.75	$42.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-65,000 Gal.	$1.69	$1.45
Over 65,000 Gal.	$2.27	$2.03

----- STEP 1 -----

STEP 1 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

3" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$35.00	$30.00
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	no charge
2,001-100,000 Gal.	$1.95	$1.65
Over 100,000 Gal.	$2.20	$2.00
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$67.75	$67.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-108,000 Gal.	$1.69	$1.45
Over 108,000 Gal.	$2.27	$2.03

Industrial Water Sales:	MORENCI	CLIFTON
Current Rate:		
Commodity Per 1,000 Gal.	$ 0.50	N/A
Company Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.5500	N/A
Staff Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.5500	N/A

4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$45.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	NO CURRENT
2,000-100,000 Gal.	$1.95	NO CURRENT
Over 100,000 Gal.	$2.20	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$87.75	$87.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-142,000 Gal.	$1.69	$1.45
Over 142,000 Gal.	$2.27	$2.03

6" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly Basic Service Charge - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - Incl. 2,000 Gal.	$55.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
0-2,000 Gal.	no charge	NO CURRENT
2,000-100,000 Gal.	$1.95	NO CURRENT
Over 100,000 Gal.	$2.20	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$147.75	$147.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-245,000 Gal.	$1.69	$1.45
Over 245,000 Gal.	$2.27	$2.03

----- STEP 2 -----

STEP 2 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

5/8"- 3/4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal. Over 3,000	$ 1.94	$ 1.63
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	no charge
1,001-10,000 Gal.	$ 2.00	$ 1.70
Over 10,000 Gal.	$ 2.46	$ 2.20
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$ 9.75	$ 9.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$ 0.55	$ 0.55
3,001-8,000 Gal.	$ 2.05	$ 1.79
Over 8,000 Gal.	$ 2.63	$ 2.37

1 1/2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$25.00	$25.00
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	$0.00	no charge
1,001-50,000 Gal.	$2.00	$1.70
Over 50,000 Gal.	$2.46	$2.20
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$26.50	$26.50
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-37,000 Gal.	$2.05	$1.79
Over 37,000 Gal.	$2.63	$2.37

1" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	no charge
1,001-10,000 Gal.	$2.00	$1.70
Over 10,000 Gal.	$2.46	$2.20
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$10.75	$10.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-10,000 Gal.	$2.05	$1.79
Over 10,000 Gal.	$2.63	$2.37

2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$28.00	$33.00
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	no charge
1,001-100,000 Gal.	$2.00	$1.70
Over 100,000 Gal.	$2.46	$2.20
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$43.00	$43.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-65,000 Gal.	$2.05	$1.79
Over 65,000 Gal.	$2.63	$2.37

----- STEP 2 -----

STEP 2 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

3" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$49.00	$49.00
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	no charge
1,001-100,000 Gal.	$2.00	$1.70
Over 100,000 Gal.	$2.46	$2.20
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$68.00	$68.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-108,000 Gal.	$2.05	$1.79
Over 108,000 Gal.	$2.63	$2.37

Industrial Water Sales:	MORENCI	CLIFTON
Current Rate:		
Commodity Per 1,000 Gal.	$ 0.50	N/A
Company Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.6050	N/A
Staff Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.6050	N/A

4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$70.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	NO CURRENT
1,001-100,000 Gal.	$2.00	NO CURRENT
Over 100,000 Gal.	$2.46	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$88.00	$88.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-142,000 Gal.	$2.05	$1.79
Over 142,000 Gal.	$2.63	$2.37

6" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - Incl. 1,000 Gal.	$80.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
0-1,000 Gal.	no charge	NO CURRENT
1,001-100,000 Gal.	$2.00	NO CURRENT
Over 100,000 Gal.	$2.46	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$148.00	$148.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-245,000 Gal.	$2.05	$1.79
Over 245,000 Gal.	$2.63	$2.37

----- STEP 3 -----

STEP 3 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

5/8"- 3/4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal. Over 3,000	$ 1.94	$ 1.63
Company Proposed Rate:		
Monthly BSC - No usage incl.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal.:		
First 10,000 Gal.	$ 2.05	$ 1.75
Over 10,000 Gal.	$ 2.57	$ 2.40
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$ 10.00	$ 10.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$ 0.55	$ 0.55
3,001-8,000 Gal.	$ 2.36	$ 2.12
Over 8,000 Gal.	$ 2.94	$ 2.70

1" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - No usage incl.	$10.00	$10.00
Commodity - Per 1,000 Gal.:		
First 10,000 Gal.	$2.05	$1.75
Over 10,000 Gal.	$2.57	$2.40
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$11.00	$11.00
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-10,000 Gal.	$2.36	$2.12
Over 10,000 Gal.	$2.94	$2.70

1 1/2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - No usage incl.	$30.00	$35.00
Commodity - Per 1,000 Gal.:		
First 50,000 Gal.	$2.05	$1.75
Over 50,000 Gal.	$2.57	$2.40
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$26.75	$26.75
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-37,000 Gal.	$2.36	$2.12
Over 37,000 Gal.	$2.94	$2.70

2" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - No usage incl.	$34.00	$42.00
Commodity - Per 1,000 Gal.:		
First 100,000 Gal.	$2.05	$1.75
Over 100,000 Gal.	$2.57	$2.40
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$43.25	$30.17
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-65,000 Gal.	$2.36	$1.96
Over 65,000 Gal.	$2.94	$2.56

----- STEP 3 -----

STEP 3 WATER RATE RECOMMENDATIONS - CURRENT AND PROPOSED WATER RATES

3" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	$10.00
Commodity - Per 1,000 Gal. Over 3,000	$1.94	$1.63
Company Proposed Rate:		
Monthly BSC - No usage incl.	$60.00	$60.00
Commodity - Per 1,000 Gal.:		
First 100,000 Gal.	$2.05	$1.75
Over 100,000 Gal.	$2.57	$2.40
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$68.25	$68.25
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-108,000 Gal.	$2.36	$2.12
Over 108,000 Gal.	$2.94	$2.70

Industrial Water Sales:	MORENCI	CLIFTON
Current Rate:		
Commodity Per 1,000 Gal.	$ 0.50	N/A
Company Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.6655	N/A
Staff Proposed Rate:		
Staff Proposed Rate:		
Commodity Per 1,000 Gal.	$ 0.6655	N/A

4" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - No usage incl.	$76.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
First 100,000 Gal.	$2.05	NO CURRENT
Over 100,000 Gal.	$2.57	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$88.25	$88.25
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-142,000 Gal.	$2.36	$2.12
Over 142,000 Gal.	$2.94	$2.70

6" Meters:	MORENCI	CLIFTON
Current Rate:		
Monthly BSC - Incl. 3,000 Gal.	$10.00	NO CURRENT
Commodity - Per 1,000 Gal. Over 3,000	$1.94	NO CURRENT
Company Proposed Rate:		
Monthly BSC - No usage incl.	$100.00	NO CURRENT
Commodity - Per 1,000 Gal.:		
First 100,000 Gal.	$2.05	NO CURRENT
Over 100,000 Gal.	$2.57	NO CURRENT
Staff Proposed Rate:		
Monthly BSC - No usage incl.	$148.25	$148.25
Commodity - Per 1,000 Gal.:		
0-3,000 Gal.	$0.55	$0.55
3,001-245,000 Gal.	$2.36	$2.12
Over 245,000 Gal.	$2.94	$2.70

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
5/8" Meters:	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$12.05	20.50%	20.50%
	2,000	$10.00	$10.00	0.00%	$12.00	20.00%	20.00%	$14.10	17.50%	41.00%
Morenci	3,000	$10.00	$11.95	19.50%	$14.00	17.15%	40.00%	$16.15	15.36%	61.50%
	4,000	$11.94	$13.90	16.42%	$16.00	15.11%	34.00%	$18.20	13.75%	52.43%
	5,000	$13.88	$15.85	14.19%	$18.00	13.56%	29.68%	$20.25	12.50%	45.89%
Company Proposal	6,000	$15.82	$17.80	12.52%	$20.00	12.36%	26.42%	$22.30	11.50%	40.96%
	7,000	$17.76	$19.75	11.20%	$22.00	11.39%	23.87%	$24.35	10.68%	37.11%
	8,000	$19.70	$21.70	10.15%	$24.00	10.60%	21.83%	$26.40	10.00%	34.01%
	9,000	$21.64	$23.65	9.29%	$26.00	9.94%	20.15%	$28.45	9.42%	31.47%
	10,000	$23.58	$25.60	8.57%	$28.00	9.38%	18.74%	$30.50	8.93%	29.35%
	15,000	$33.28	$36.60	9.98%	$40.30	10.11%	21.09%	$43.35	7.57%	30.26%
	20,000	$42.98	$47.60	10.75%	$52.60	10.50%	22.38%	$56.20	6.84%	30.76%
	25,000	$52.68	$58.60	11.24%	$64.90	10.75%	23.20%	$69.05	6.39%	31.07%
	30,000	$62.38	$69.60	11.57%	$77.20	10.92%	23.76%	$81.90	6.09%	31.29%
Average Usage	8,675	$21.01	$23.02	9.55%	$25.35	10.14%	20.66%	$27.78	9.60%	32.24%
Median Usage	5,000	$13.88	$15.85	14.19%	$18.00	13.56%	29.68%	$20.25	12.50%	45.89%
Rounded Avg Usage	9,000	$21.64	$23.65	9.29%	$26.00	9.94%	20.15%	$28.45	9.42%	31.47%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
2nd (1/4 of bills < or =)	2,000	$10.00	$10.00	0.00%	$12.00	20.00%	20.00%	$14.10	17.50%	41.00%
3rd (3/8 of bills < or =)	4,000	$11.94	$13.90	16.42%	$16.00	15.11%	34.00%	$18.20	13.75%	52.43%
4th (1/2 of bills < or =)	5,000	$13.88	$15.85	14.19%	$18.00	13.56%	29.68%	$20.25	12.50%	45.89%
5th (5/8 of bills < or =)	7,000	$17.76	$19.75	11.20%	$22.00	11.39%	23.87%	$24.35	10.68%	37.11%
6th (3/4 of bills < or =)	10,000	$23.58	$25.60	8.57%	$28.00	9.38%	18.74%	$30.50	8.93%	29.35%
7th (7/8 of bills < or =)	15,000	$33.28	$36.60	9.98%	$40.30	10.11%	21.09%	$43.35	7.57%	30.26%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
1" Meters:	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$12.05	20.50%	20.50%
	3,000	$10.00	$11.95	19.50%	$14.00	17.15%	40.00%	$16.15	15.36%	61.50%
Morenci	5,000	$13.88	$15.85	14.19%	$18.00	13.56%	29.68%	$20.25	12.50%	45.89%
	7,000	$17.76	$19.75	11.20%	$22.00	11.39%	23.87%	$24.35	10.68%	37.11%
	10,000	$23.58	$25.60	8.57%	$28.00	9.38%	18.74%	$30.50	8.93%	29.35%
Company	15,000	$33.28	$36.60	9.98%	$40.30	10.11%	21.09%	$43.35	7.57%	30.26%
Proposal	25,000	$52.68	$58.60	11.24%	$64.90	10.75%	23.20%	$69.05	6.39%	31.07%
	50,000	$101.18	$113.60	12.28%	$126.40	11.27%	24.93%	$133.30	5.46%	31.75%
	75,000	$149.68	$168.60	12.64%	$187.90	11.45%	25.53%	$197.55	5.14%	31.98%
Average Usage	26,733	$56.04	$62.41	11.37%	$69.16	10.82%	23.41%	$73.50	6.28%	31.16%
Median Usage	4,500	$12.91	$14.88	15.22%	$17.00	14.29%	31.68%	$19.23	13.09%	48.92%
Rounded Avg Usage	27,000	$56.56	$63.00	11.39%	$69.82	10.83%	23.44%	$74.19	6.26%	31.17%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
2nd (1/4 of bills < or =)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
3rd (3/8 of bills < or =)	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$12.05	20.50%	20.50%
4th (1/2 of bills < or =)	4,000	$11.94	$13.90	16.42%	$16.00	15.11%	34.00%	$18.20	13.75%	52.43%
5th (5/8 of bills < or =)	8,000	$19.70	$21.70	10.15%	$24.00	10.60%	21.83%	$26.40	10.00%	34.01%
6th (3/4 of bills < or =)	18,000	$39.10	$43.20	10.49%	$47.68	10.37%	21.94%	$51.06	7.09%	30.59%
7th (7/8 of bills < or =)	51,000	$103.12	$115.80	12.30%	$128.86	11.28%	24.96%	$135.87	5.44%	31.76%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE: COMPANY STEP 1 PROPOSED RATES	STEP ONE: PERCENT INCREASE	STEP TWO: COMPANY STEP 2 PROPOSED RATES	STEP TWO: PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO: PERCENT INCREASE FROM PRESENT RATES	STEP THREE: COMPANY STEP 3 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM PRESENT RATES
1 1/2" Meters:	0	$10.00	$15.00	50.00%	$25.00	66.67%	150.00%	$30.00	20.00%	200.00%
	10,000	$23.58	$30.60	29.77%	$43.00	40.52%	82.36%	$50.50	17.44%	114.16%
	20,000	$42.98	$50.10	16.57%	$63.00	25.75%	46.58%	$71.00	12.70%	65.19%
Morenci	30,000	$62.38	$69.60	11.57%	$83.00	19.25%	33.06%	$91.50	10.24%	46.68%
	40,000	$81.78	$89.10	8.95%	$103.00	15.60%	25.95%	$112.00	8.74%	36.95%
	50,000	$101.18	$108.60	7.33%	$123.00	13.26%	21.57%	$132.50	7.72%	30.95%
Company Proposal	75,000	$149.68	$163.60	9.30%	$184.50	12.78%	23.26%	$196.75	6.64%	31.45%
	100,000	$198.18	$218.60	10.30%	$246.00	12.53%	24.13%	$261.00	6.10%	31.70%
	125,000	$246.68	$273.60	10.91%	$307.50	12.39%	24.66%	$325.25	5.77%	31.85%
	150,000	$295.18	$328.60	11.32%	$369.00	12.29%	25.01%	$389.50	5.56%	31.95%
Average Usage	68,508	$137.09	$149.32	8.92%	$168.53	12.87%	22.94%	$180.07	6.85%	31.35%
Median Usage	15,000	$33.28	$40.35	21.24%	$53.00	31.35%	59.25%	$60.75	14.62%	82.54%
Rounded Avg Usage	69,000	$138.04	$150.40	8.95%	$169.74	12.86%	22.96%	$181.33	6.83%	31.36%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$15.00	50.00%	$25.00	66.67%	150.00%	$30.00	20.00%	200.00%
2nd (1/4 of bills < or =)	6,000	$15.82	$22.80	44.12%	$35.00	53.51%	121.24%	$42.30	20.86%	167.38%
3rd (3/8 of bills < or =)	13,000	$29.40	$36.45	23.98%	$49.00	34.43%	66.67%	$56.65	15.61%	92.69%
4th (1/2 of bills < or =)	15,000	$33.28	$40.35	21.24%	$53.00	31.35%	59.25%	$60.75	14.62%	82.54%
5th (5/8 of bills < or =)	52,000	$105.06	$113.00	7.56%	$127.92	13.20%	21.76%	$137.64	7.60%	31.01%
6th (3/4 of bills < or =)	87,000	$172.96	$190.00	9.85%	$214.02	12.64%	23.74%	$227.59	6.34%	31.59%
7th (7/8 of bills < or =)	130,000	$256.38	$284.60	11.01%	$319.80	12.37%	24.74%	$338.10	5.72%	31.87%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
2" Meters:	0	$10.00	$20.00	100.00%	$28.00	40.00%	180.00%	$34.00	21.43%	240.00%
	10,000	$23.58	$35.60	50.98%	$46.00	29.21%	95.08%	$54.50	18.48%	131.13%
	20,000	$42.98	$55.10	28.20%	$66.00	19.78%	53.56%	$75.00	13.64%	74.50%
Morenci	30,000	$62.38	$74.60	19.59%	$86.00	15.28%	37.86%	$95.50	11.05%	53.09%
	40,000	$81.78	$94.10	15.06%	$106.00	12.65%	29.62%	$116.00	9.43%	41.84%
	50,000	$101.18	$113.60	12.28%	$126.00	10.92%	24.53%	$136.50	8.33%	34.91%
Company Proposal	75,000	$149.68	$162.35	8.46%	$176.00	8.41%	17.58%	$187.75	6.68%	25.43%
	100,000	$198.18	$211.10	6.52%	$226.00	7.06%	14.04%	$239.00	5.75%	20.60%
	125,000	$246.68	$266.10	7.87%	$287.50	8.04%	16.55%	$303.25	5.48%	22.93%
	150,000	$295.18	$321.10	8.78%	$349.00	8.69%	18.23%	$367.50	5.30%	24.50%
Average Usage	38,988	$79.82	$92.13	15.42%	$103.98	12.86%	30.27%	$113.93	9.57%	42.73%
Median Usage	14,000	$31.34	$43.40	38.48%	$54.00	24.42%	72.30%	$62.70	16.11%	100.06%
Rounded Avg Usage	39,000	$79.84	$92.15	15.42%	$104.00	12.86%	30.26%	$113.95	9.57%	42.72%
Octiles										
1st (1/8 of bills <=)	1,000	$10.00	$20.00	100.00%	$28.00	40.00%	180.00%	$36.05	28.75%	260.50%
2nd (1/4 of bills < or =)	3,000	$10.00	$21.95	119.50%	$32.00	45.79%	220.00%	$40.15	25.47%	301.50%
3rd (3/8 of bills < or =)	8,000	$19.70	$31.70	60.91%	$42.00	32.49%	113.20%	$50.40	20.00%	155.84%
4th (1/2 of bills < or =)	12,000	$27.46	$39.50	43.85%	$50.00	26.58%	82.08%	$58.60	17.20%	113.40%
5th (5/8 of bills < or =)	21,000	$44.92	$57.05	27.00%	$68.00	19.19%	51.38%	$77.05	13.31%	71.53%
6th (3/4 of bills < or =)	49,000	$99.24	$111.65	12.51%	$124.00	11.06%	24.95%	$134.45	8.43%	35.48%
7th (7/8 of bills < or =)	108,000	$213.70	$228.70	7.02%	$245.68	7.42%	14.96%	$259.56	5.65%	21.46%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
3" Meters:	0	$10.00	$35.00	250.00%	$49.00	40.00%	390.00%	$60.00	22.45%	500.00%
	20,000	$42.98	$70.10	63.10%	$87.00	24.11%	102.42%	$101.00	16.09%	134.99%
	40,000	$81.78	$109.10	33.41%	$127.00	16.41%	55.29%	$142.00	11.81%	73.64%
Morenci	60,000	$120.58	$148.10	22.82%	$167.00	12.76%	38.50%	$183.00	9.58%	51.77%
	80,000	$159.38	$187.10	17.39%	$207.00	10.64%	29.88%	$224.00	8.21%	40.54%
	100,000	$198.18	$226.10	14.09%	$247.00	9.24%	24.63%	$265.00	7.29%	33.72%
Company Proposal	125,000	$246.68	$281.10	13.95%	$308.50	9.75%	25.06%	$329.25	6.73%	33.47%
	150,000	$295.18	$336.10	13.86%	$370.00	10.09%	25.35%	$393.50	6.35%	33.31%
	200,000	$392.18	$446.10	13.75%	$493.00	10.51%	25.71%	$522.00	5.88%	33.10%
	300,000	$586.18	$666.10	13.63%	$739.00	10.94%	26.07%	$779.00	5.41%	32.89%
Average Usage	176,050	$345.72	$393.41	13.80%	$434.08	10.34%	25.56%	$460.45	6.07%	33.19%
Median Usage	56,000	$112.82	$140.30	24.36%	$159.00	13.33%	40.93%	$174.80	9.94%	54.94%
Rounded Avg Usage	176,000	$345.62	$393.30	13.80%	$433.96	10.34%	25.56%	$460.32	6.07%	33.19%
Octiles										
1st (1/8 of bills <=)	15,000	$33.28	$60.35	81.34%	$77.00	27.59%	131.37%	$90.75	17.86%	172.69%
2nd (1/4 of bills < or =)	27,000	$56.56	$83.75	48.07%	$101.00	20.60%	78.57%	$115.35	14.21%	103.94%
3rd (3/8 of bills < or =)	36,000	$74.02	$101.30	36.85%	$119.00	17.47%	60.77%	$133.80	12.44%	80.76%
4th (1/2 of bills < or =)	56,000	$112.82	$140.30	24.36%	$159.00	13.33%	40.93%	$174.80	9.94%	54.94%
5th (5/8 of bills < or =)	124,000	$244.74	$278.90	13.96%	$306.04	9.73%	25.05%	$326.68	6.74%	33.48%
6th (3/4 of bills < or =)	205,000	$401.88	$457.10	13.74%	$505.30	10.54%	25.73%	$534.85	5.85%	33.09%
7th (7/8 of bills < or =)	286,000	$559.02	$635.30	13.65%	$704.56	10.90%	26.03%	$743.02	5.46%	32.91%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
4" Meters:	0	$10.00	$45.00	350.00%	$70.00	55.56%	600.00%	$76.00	8.57%	660.00%
	10,000	$23.58	$60.60	157.00%	$88.00	45.21%	273.20%	$96.50	9.66%	309.25%
	20,000	$42.98	$80.10	86.37%	$108.00	34.83%	151.28%	$117.00	8.33%	172.22%
Morenci	30,000	$62.38	$99.60	59.67%	$128.00	28.51%	105.19%	$137.50	7.42%	120.42%
	40,000	$81.78	$119.10	45.63%	$148.00	24.27%	80.97%	$158.00	6.76%	93.20%
	50,000	$101.18	$138.60	36.98%	$168.00	21.21%	66.04%	$178.50	6.25%	76.42%
Company Proposal	75,000	$149.68	$187.35	25.17%	$218.00	16.36%	45.64%	$229.75	5.39%	53.49%
	100,000	$198.18	$236.10	19.13%	$268.00	13.51%	35.23%	$281.00	4.85%	41.79%
	125,000	$246.68	$291.10	18.01%	$329.50	13.19%	33.57%	$345.25	4.78%	39.96%
	150,000	$295.18	$346.10	17.25%	$391.00	12.97%	32.46%	$409.50	4.73%	38.73%
Average Usage	38,988	$79.82	$117.13	46.74%	$145.98	24.63%	82.89%	$155.93	6.82%	95.35%
Median Usage	14,000	$31.34	$68.40	118.25%	$96.00	40.35%	206.32%	$104.70	9.06%	234.08%
Rounded Avg Usage	39,000	$79.84	$117.15	46.73%	$146.00	24.63%	82.87%	$155.95	6.82%	95.33%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE: COMPANY STEP 1 PROPOSED RATES	STEP ONE: PERCENT INCREASE	STEP TWO: COMPANY STEP 2 PROPOSED RATES	STEP TWO: PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO: PERCENT INCREASE FROM PRESENT RATES	STEP THREE: COMPANY STEP 3 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM PRESENT RATES
6" Meters:	0	$10.00	$55.00	450.00%	$80.00	45.45%	700.00%	$100.00	25.00%	900.00%
	20,000	$42.98	$90.10	109.63%	$118.00	30.97%	174.55%	$141.00	19.49%	228.06%
	40,000	$81.78	$129.10	57.86%	$158.00	22.39%	93.20%	$182.00	15.19%	122.55%
Morenci	60,000	$120.58	$168.10	39.41%	$198.00	17.79%	64.21%	$223.00	12.63%	84.94%
	80,000	$159.38	$207.10	29.94%	$238.00	14.92%	49.33%	$264.00	10.92%	65.64%
	100,000	$198.18	$246.10	24.18%	$278.00	12.96%	40.28%	$305.00	9.71%	53.90%
Company Proposal	125,000	$246.68	$301.10	22.06%	$339.50	12.75%	37.63%	$369.25	8.76%	49.69%
	150,000	$295.18	$356.10	20.64%	$401.00	12.61%	35.85%	$433.50	8.10%	46.86%
	175,000	$343.68	$411.10	19.62%	$462.50	12.50%	34.57%	$497.75	7.62%	44.83%
	200,000	$392.18	$466.10	18.85%	$524.00	12.42%	33.61%	$562.00	7.25%	43.30%
Average Usage	176,050	$345.72	$413.41	19.58%	$465.08	12.50%	34.53%	$500.45	7.60%	44.76%
Median Usage	60,000	$120.58	$168.10	39.41%	$198.00	17.79%	64.21%	$223.00	12.63%	84.94%
Rounded Avg Usage	176,000	$345.62	$413.30	19.58%	$464.96	12.50%	34.53%	$500.32	7.60%	44.76%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE: COMPANY STEP 1 PROPOSED RATES	STEP ONE: PERCENT INCREASE	STEP TWO: COMPANY STEP 2 PROPOSED RATES	STEP TWO: PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO: PERCENT INCREASE FROM PRESENT RATES	STEP THREE: COMPANY STEP 3 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM PRESENT RATES
5/8" Meters:	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
	3,000	$10.00	$11.65	16.50%	$13.40	15.02%	34.00%	$15.25	13.81%	52.50%
Clifton	5,000	$13.26	$14.95	12.75%	$16.80	12.37%	26.70%	$18.75	11.61%	41.40%
	7,000	$16.52	$18.25	10.47%	$20.20	10.68%	22.28%	$22.25	10.15%	34.69%
	10,000	$21.41	$23.20	8.36%	$25.30	9.05%	18.17%	$27.50	8.70%	28.44%
Company Proposal	15,000	$29.56	$33.20	12.31%	$36.30	9.34%	22.80%	$39.50	8.82%	33.63%
	20,000	$37.71	$43.20	14.56%	$47.30	9.49%	25.43%	$51.50	8.88%	36.57%
	25,000	$45.86	$53.20	16.01%	$58.30	9.59%	27.13%	$63.50	8.92%	38.46%
	30,000	$54.01	$63.20	17.02%	$69.30	9.65%	28.31%	$75.50	8.95%	39.79%
Average Usage	7,268	$16.96	$18.69	10.23%	$20.66	10.50%	21.81%	$22.72	9.99%	33.98%
Median Usage	4,800	$12.93	$14.62	13.04%	$16.46	12.59%	27.26%	$18.40	11.79%	42.26%
Rounded Avg Usage	7,000	$16.52	$18.25	10.47%	$20.20	10.68%	22.28%	$22.25	10.15%	34.69%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
2nd (1/4 of bills < or =)	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
3rd (3/8 of bills < or =)	3,000	$10.00	$11.65	16.50%	$13.40	15.02%	34.00%	$15.25	13.81%	52.50%
4th (1/2 of bills < or =)	4,000	$11.63	$13.30	14.36%	$15.10	13.53%	29.84%	$17.00	12.58%	46.17%
5th (5/8 of bills < or =)	6,000	$14.89	$16.60	11.48%	$18.50	11.45%	24.24%	$20.50	10.81%	37.68%
6th (3/4 of bills < or =)	10,000	$21.41	$23.20	8.36%	$25.30	9.05%	18.17%	$27.50	8.70%	28.44%
7th (7/8 of bills < or =)	14,000	$27.93	$31.20	11.71%	$34.10	9.29%	22.09%	$37.10	8.80%	32.83%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE: COMPANY STEP 1 PROPOSED RATES	STEP ONE: PERCENT INCREASE	STEP TWO: COMPANY STEP 2 PROPOSED RATES	STEP TWO: PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO: PERCENT INCREASE FROM PRESENT RATES	STEP THREE: COMPANY STEP 3 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM PRESENT RATES
3/4" Meters:	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
	3,000	$10.00	$11.65	16.50%	$13.40	15.02%	34.00%	$15.25	13.81%	52.50%
Clifton	5,000	$13.26	$14.95	12.75%	$16.80	12.37%	26.70%	$18.75	11.61%	41.40%
	7,000	$16.52	$18.25	10.47%	$20.20	10.68%	22.28%	$22.25	10.15%	34.69%
	10,000	$21.41	$23.20	8.36%	$25.30	9.05%	18.17%	$27.50	8.70%	28.44%
Company Proposal	15,000	$29.56	$33.20	12.31%	$36.30	9.34%	22.80%	$39.50	8.82%	33.63%
	20,000	$37.71	$43.20	14.56%	$47.30	9.49%	25.43%	$51.50	8.88%	36.57%
	25,000	$45.86	$53.20	16.01%	$58.30	9.59%	27.13%	$63.50	8.92%	38.46%
	30,000	$54.01	$63.20	17.02%	$69.30	9.65%	28.31%	$75.50	8.95%	39.79%
Average Usage	3,465	$10.76	$12.42	15.42%	$14.19	14.28%	31.91%	$16.06	13.20%	49.32%
Median Usage	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
Rounded Avg Usage	3,000	$10.00	$11.65	16.50%	$13.40	15.02%	34.00%	$15.25	13.81%	52.50%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
2nd (1/4 of bills < or =)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
3rd (3/8 of bills < or =)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
4th (1/2 of bills < or =)	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
5th (5/8 of bills < or =)	5,000	$13.26	$14.95	12.75%	$16.80	12.37%	26.70%	$18.75	11.61%	41.40%
6th (3/4 of bills < or =)	6,000	$14.89	$16.60	11.48%	$18.50	11.45%	24.24%	$20.50	10.81%	37.68%
7th (7/8 of bills < or =)	8,000	$18.15	$19.90	9.64%	$21.90	10.05%	20.66%	$24.00	9.59%	32.23%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
1" Meters:	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
	3,000	$10.00	$11.65	16.50%	$13.40	15.02%	34.00%	$15.25	13.81%	52.50%
Clifton	5,000	$13.26	$14.95	12.75%	$16.80	12.37%	26.70%	$18.75	11.61%	41.40%
	7,000	$16.52	$18.25	10.47%	$20.20	10.68%	22.28%	$22.25	10.15%	34.69%
	10,000	$21.41	$23.20	8.36%	$25.30	9.05%	18.17%	$27.50	8.70%	28.44%
Company Proposal	15,000	$29.56	$33.20	12.31%	$36.30	9.34%	22.80%	$39.50	8.82%	33.63%
	20,000	$37.71	$43.20	14.56%	$47.30	9.49%	25.43%	$51.50	8.88%	36.57%
	25,000	$45.86	$53.20	16.01%	$58.30	9.59%	27.13%	$63.50	8.92%	38.46%
	30,000	$54.01	$63.20	17.02%	$69.30	9.65%	28.31%	$75.50	8.95%	39.79%
Average Usage	7,979	$18.12	$19.87	9.66%	$21.86	10.06%	20.69%	$23.96	9.60%	32.28%
Median Usage	1,500	$10.00	$10.00	0.00%	$10.85	8.50%	8.50%	$12.63	16.36%	26.25%
Rounded Avg Usage	8,000	$18.15	$19.90	9.64%	$21.90	10.05%	20.66%	$24.00	9.59%	32.23%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
2nd (1/4 of bills < or =)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
3rd (3/8 of bills < or =)	0	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$10.00	0.00%	0.00%
4th (1/2 of bills < or =)	1,000	$10.00	$10.00	0.00%	$10.00	0.00%	0.00%	$11.75	17.50%	17.50%
5th (5/8 of bills < or =)	5,000	$13.26	$14.95	12.75%	$16.80	12.37%	26.70%	$18.75	11.61%	41.40%
6th (3/4 of bills < or =)	10,000	$21.41	$23.20	8.36%	$25.30	9.05%	18.17%	$27.50	8.70%	28.44%
7th (7/8 of bills < or =)	18,000	$34.45	$39.20	13.79%	$42.90	9.44%	24.53%	$46.70	8.86%	35.56%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE: COMPANY STEP 1 PROPOSED RATES	STEP ONE: PERCENT INCREASE	STEP TWO: COMPANY STEP 2 PROPOSED RATES	STEP TWO: PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO: PERCENT INCREASE FROM PRESENT RATES	STEP THREE: COMPANY STEP 3 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE: PERCENT INCREASE FROM PRESENT RATES
1 1/2" Meters:	0	$10.00	$15.00	50.00%	$25.00	66.67%	150.00%	$35.00	40.00%	250.00%
	10,000	$21.41	$28.20	31.71%	$40.30	42.91%	88.23%	$52.50	30.27%	145.21%
	20,000	$37.71	$44.70	18.54%	$57.30	28.19%	51.95%	$70.00	22.16%	85.63%
Clifton	30,000	$54.01	$61.20	13.31%	$74.30	21.41%	37.57%	$87.50	17.77%	62.01%
	40,000	$70.31	$77.70	10.51%	$91.30	17.50%	29.85%	$105.00	15.01%	49.34%
	50,000	$86.61	$94.20	8.76%	$108.30	14.97%	25.04%	$122.50	13.11%	41.44%
Company Proposal	75,000	$127.36	$144.20	13.22%	$163.30	13.25%	28.22%	$182.50	11.76%	43.29%
	100,000	$168.11	$194.20	15.52%	$218.30	12.41%	29.86%	$242.50	11.09%	44.25%
	125,000	$208.86	$244.20	16.92%	$273.30	11.92%	30.85%	$302.50	10.68%	44.83%
	150,000	$249.61	$294.20	17.86%	$328.30	11.59%	31.53%	$362.50	10.42%	45.23%
Average Usage	38,450	$67.78	$75.14	10.86%	$88.67	18.00%	30.81%	$102.29	15.36%	50.90%
Median Usage	30,000	$54.01	$61.20	13.31%	$74.30	21.41%	37.57%	$87.50	17.77%	62.01%
Rounded Avg Usage	38,000	$67.05	$74.40	10.96%	$87.90	18.15%	31.10%	$101.50	15.47%	51.38%
Octiles										
1st (1/8 of bills <=)	12,000	$24.67	$31.50	27.69%	$43.70	38.73%	77.14%	$56.00	28.15%	127.00%
2nd (1/4 of bills < or =)	22,000	$40.97	$48.00	17.16%	$60.70	26.46%	48.16%	$73.50	21.09%	79.40%
3rd (3/8 of bills < or =)	28,000	$50.75	$57.90	14.09%	$70.90	22.45%	39.70%	$84.00	18.48%	65.52%
4th (1/2 of bills < or =)	35,000	$62.16	$69.45	11.73%	$82.80	19.22%	33.20%	$96.25	16.24%	54.84%
5th (5/8 of bills < or =)	38,000	$67.05	$74.40	10.96%	$87.90	18.15%	31.10%	$101.50	15.47%	51.38%
6th (3/4 of bills < or =)	42,000	$73.57	$81.00	10.10%	$94.70	16.91%	28.72%	$108.50	14.57%	47.48%
7th (7/8 of bills < or =)	52,000	$89.87	$98.20	9.27%	$112.70	14.77%	25.40%	$127.30	12.95%	41.65%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
2" Meters:	0	$10.00	$20.00	100.00%	$33.00	65.00%	230.00%	$42.00	27.27%	320.00%
	10,000	$21.41	$33.20	55.07%	$48.30	45.48%	125.60%	$59.50	23.19%	177.91%
	20,000	$37.71	$49.70	31.80%	$65.30	31.39%	73.16%	$77.00	17.92%	104.19%
Clifton	30,000	$54.01	$66.20	22.57%	$82.30	24.32%	52.38%	$94.50	14.82%	74.97%
	40,000	$70.31	$82.70	17.62%	$99.30	20.07%	41.23%	$112.00	12.79%	59.29%
	50,000	$86.61	$99.20	14.54%	$116.30	17.24%	34.28%	$129.50	11.35%	49.52%
Company Proposal	75,000	$127.36	$140.45	10.28%	$158.80	13.07%	24.69%	$173.25	9.10%	36.03%
	100,000	$168.11	$181.70	8.08%	$201.30	10.79%	19.74%	$217.00	7.80%	29.08%
	125,000	$208.86	$231.70	10.94%	$256.30	10.62%	22.71%	$277.00	8.08%	32.62%
	150,000	$249.61	$281.70	12.86%	$311.30	10.51%	24.71%	$337.00	8.26%	35.01%
Average Usage	64,883	$110.87	$123.76	11.62%	$141.60	14.42%	27.72%	$155.55	9.85%	40.30%
Median Usage	15,000	$29.56	$41.45	40.22%	$56.80	37.03%	92.15%	$68.25	20.16%	130.89%
Rounded Avg Usage	65,000	$111.06	$123.95	11.61%	$141.80	14.40%	27.68%	$155.75	9.84%	40.24%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$20.00	100.00%	$33.00	65.00%	230.00%	$42.00	27.27%	320.00%
2nd (1/4 of bills < or =)	2,000	$10.00	$20.00	100.00%	$34.70	73.50%	247.00%	$45.50	31.12%	355.00%
3rd (3/8 of bills < or =)	3,000	$10.00	$21.65	116.50%	$36.40	68.13%	264.00%	$47.25	29.81%	372.50%
4th (1/2 of bills < or =)	14,000	$27.93	$39.80	42.50%	$55.10	38.44%	97.28%	$66.50	20.69%	138.10%
5th (5/8 of bills < or =)	58,000	$99.65	$112.40	12.79%	$129.90	15.57%	30.36%	$143.50	10.47%	44.00%
6th (3/4 of bills < or =)	106,000	$177.89	$193.70	8.89%	$214.50	10.74%	20.58%	$231.40	7.88%	30.08%
7th (7/8 of bills < or =)	142,000	$236.57	$265.70	12.31%	$293.70	10.54%	24.15%	$317.80	8.21%	34.34%

NOTE: Bills Exclude Revenue Taxes

METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STEP ONE COMPANY STEP 1 PROPOSED RATES	STEP ONE PERCENT INCREASE	STEP TWO COMPANY STEP 2 PROPOSED RATES	STEP TWO PERCENT INCREASE from COMPANY STEP 1 PROPOSED RATES	STEP TWO PERCENT INCREASE FROM PRESENT RATES	STEP THREE COMPANY STEP 3 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM COMPANY STEP 2 PROPOSED RATES	STEP THREE PERCENT INCREASE FROM PRESENT RATES
3" Meters:	0	$10.00	$30.00	200.00%	$49.00	63.33%	390.00%	$60.00	22.45%	500.00%
	10,000	$21.41	$43.20	101.77%	$64.30	48.84%	200.33%	$77.50	20.53%	261.98%
	20,000	$37.71	$59.70	58.31%	$81.30	36.18%	115.59%	$95.00	16.85%	151.92%
Clifton	30,000	$54.01	$76.20	41.08%	$98.30	29.00%	82.00%	$112.50	14.45%	108.29%
	40,000	$70.31	$92.70	31.84%	$115.30	24.38%	63.99%	$130.00	12.75%	84.90%
	50,000	$86.61	$109.20	26.08%	$132.30	21.15%	52.75%	$147.50	11.49%	70.30%
Company Proposal	75,000	$127.36	$150.45	18.13%	$174.80	16.18%	37.25%	$191.25	9.41%	50.16%
	100,000	$168.11	$191.70	14.03%	$217.30	13.35%	29.26%	$235.00	8.15%	39.79%
	125,000	$208.86	$241.70	15.72%	$272.30	12.66%	30.37%	$295.00	8.34%	41.24%
	150,000	$249.61	$291.70	16.86%	$327.30	12.20%	31.12%	$355.00	8.46%	42.22%
Average Usage	103,328	$173.53	$198.36	14.30%	$224.62	13.24%	29.44%	$242.99	8.18%	40.02%
Median Usage	14,000	$27.93	$49.80	78.30%	$71.10	42.77%	154.56%	$84.50	18.85%	202.54%
Rounded Avg Usage	103,000	$173.00	$197.70	14.28%	$223.90	13.25%	29.42%	$242.20	8.17%	40.00%
Octiles										
1st (1/8 of bills <=)	17,000	$32.82	$54.75	66.82%	$76.20	39.18%	132.18%	$89.75	17.78%	173.46%
2nd (1/4 of bills < or =)	32,000	$57.27	$79.50	38.82%	$101.70	27.92%	77.58%	$116.00	14.06%	102.55%
3rd (3/8 of bills < or =)	44,000	$76.83	$99.30	29.25%	$122.10	22.96%	58.92%	$137.00	12.20%	78.32%
4th (1/2 of bills < or =)	72,000	$122.47	$145.50	18.80%	$169.70	16.63%	38.56%	$186.00	9.61%	51.87%
5th (5/8 of bills < or =)	101,000	$169.74	$193.70	14.12%	$219.50	13.32%	29.32%	$237.40	8.15%	39.86%
6th (3/4 of bills < or =)	127,000	$212.12	$245.70	15.83%	$276.70	12.62%	30.45%	$299.80	8.35%	41.34%
7th (7/8 of bills < or =)	154,000	$256.13	$299.70	17.01%	$336.10	12.15%	31.22%	$364.60	8.48%	42.35%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
5/8" Meters:	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
	2,000	$10.00	$10.60	6.00%	$10.85	2.36%	8.50%	$11.10	2.30%	11.00%
Morenci	3,000	$10.00	$11.15	11.50%	$11.40	2.24%	14.00%	$11.65	2.19%	16.50%
	4,000	$11.94	$12.84	7.51%	$13.45	4.78%	12.65%	$14.01	4.16%	17.34%
	5,000	$13.88	$14.52	4.64%	$15.50	6.73%	11.69%	$16.37	5.60%	17.94%
Staff Proposal	6,000	$15.82	$16.21	2.47%	$17.55	8.28%	10.95%	$18.73	6.71%	18.39%
	7,000	$17.76	$17.90	0.78%	$19.60	9.53%	10.38%	$21.09	7.58%	18.75%
	8,000	$19.70	$19.59	-0.58%	$21.66	10.57%	9.92%	$23.45	8.29%	19.04%
	9,000	$21.64	$21.85	0.98%	$24.29	11.14%	12.23%	$26.38	8.62%	21.90%
	10,000	$23.58	$24.12	2.29%	$26.92	11.60%	14.15%	$29.32	8.93%	24.34%
	15,000	$33.28	$35.45	6.53%	$40.07	13.03%	20.41%	$44.02	9.85%	32.27%
	20,000	$42.98	$46.79	8.86%	$53.23	13.76%	23.84%	$58.71	10.30%	36.60%
	25,000	$52.68	$58.12	10.33%	$66.38	14.21%	26.01%	$73.41	10.59%	39.35%
	30,000	$62.38	$69.46	11.35%	$79.54	14.51%	27.50%	$88.10	10.77%	41.23%
Average Usage	8,675	$21.01	$21.12	0.53%	$23.43	10.94%	11.52%	$25.43	8.53%	21.03%
Median Usage	5,000	$13.88	$14.52	4.64%	$15.50	6.73%	11.69%	$16.37	5.60%	17.94%
Rounded Avg Usage	9,000	$21.64	$21.85	0.98%	$24.29	11.14%	12.23%	$26.38	8.62%	21.90%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
2nd (1/4 of bills < or =)	2,000	$10.00	$10.60	6.00%	$10.85	2.36%	8.50%	$11.10	2.30%	11.00%
3rd (3/8 of bills < or =)	4,000	$11.94	$12.84	7.51%	$13.45	4.78%	12.65%	$14.01	4.16%	17.34%
4th (1/2 of bills < or =)	5,000	$13.88	$14.52	4.64%	$15.50	6.73%	11.69%	$16.37	5.60%	17.94%
5th (5/8 of bills < or =)	7,000	$17.76	$17.90	0.78%	$19.60	9.53%	10.38%	$21.09	7.58%	18.75%
6th (3/4 of bills < or =)	10,000	$23.58	$24.12	2.29%	$26.92	11.60%	14.15%	$29.32	8.93%	24.34%
7th (7/8 of bills < or =)	15,000	$33.28	$35.45	6.53%	$40.07	13.03%	20.41%	$44.02	9.85%	32.27%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes						PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES			PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES
1" Meters:	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
	1,000	$10.00	$11.05	10.50%	$11.30	2.26%	13.00%	$11.55	2.21%	15.50%
	3,000	$10.00	$12.15	21.50%	$12.40	2.06%	24.00%	$12.65	2.02%	26.50%
Morenci	5,000	$13.88	$15.52	11.84%	$16.50	6.30%	18.89%	$17.37	5.26%	25.14%
	7,000	$17.76	$18.90	6.41%	$20.60	9.03%	16.01%	$22.09	7.21%	24.38%
	10,000	$23.58	$23.96	1.61%	$26.76	11.68%	13.47%	$29.16	8.98%	23.66%
Staff Proposal	15,000	$33.28	$35.29	6.05%	$39.91	13.08%	19.93%	$43.86	9.89%	31.79%
	25,000	$52.68	$57.96	10.03%	$66.22	14.25%	25.71%	$73.25	10.61%	39.05%
	50,000	$101.18	$114.64	13.30%	$132.00	15.14%	30.46%	$146.72	11.15%	45.01%
	75,000	$149.68	$171.31	14.45%	$197.77	15.44%	32.13%	$220.20	11.34%	47.11%
Average Usage	26,733	$56.04	$61.89	10.44%	$70.78	14.36%	26.30%	$78.34	10.68%	39.79%
Median Usage	4,500	$12.91	$14.68	13.71%	$15.48	5.42%	19.88%	$16.19	4.61%	25.41%
Rounded Avg Usage	27,000	$56.56	$62.50	10.50%	$71.48	14.38%	26.39%	$79.13	10.70%	39.90%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
2nd (1/4 of bills < or =)	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
3rd (3/8 of bills < or =)	1,000	$10.00	$11.05	10.50%	$11.30	2.26%	13.00%	$11.55	2.21%	15.50%
4th (1/2 of bills < or =)	4,000	$11.94	$13.84	15.89%	$14.45	4.44%	21.03%	$15.01	3.87%	25.71%
5th (5/8 of bills < or =)	8,000	$19.70	$20.59	4.49%	$22.66	10.06%	15.00%	$24.45	7.92%	24.11%
6th (3/4 of bills < or =)	18,000	$39.10	$42.10	7.66%	$47.81	13.56%	22.26%	$52.68	10.20%	34.73%
7th (7/8 of bills < or =)	51,000	$103.12	$116.91	13.37%	$134.63	15.16%	30.55%	$149.66	11.17%	45.13%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
1 1/2" Meters:	0	$10.00	$26.25	162.50%	$26.50	0.95%	165.00%	$26.75	0.94%	167.50%
	10,000	$23.58	$39.71	68.40%	$42.51	7.05%	80.27%	$44.91	5.65%	90.46%
	20,000	$42.98	$56.58	31.64%	$63.02	11.38%	46.62%	$68.50	8.70%	59.38%
Morenci	30,000	$62.38	$73.45	17.74%	$83.53	13.72%	33.90%	$92.09	10.25%	47.63%
	40,000	$81.78	$92.06	12.57%	$105.78	14.90%	29.34%	$117.42	11.01%	43.58%
	50,000	$101.18	$114.73	13.39%	$132.09	15.13%	30.55%	$146.81	11.15%	45.10%
Staff Proposal	75,000	$149.68	$171.40	14.51%	$197.86	15.44%	32.19%	$220.29	11.34%	47.17%
	100,000	$198.18	$228.08	15.09%	$263.64	15.59%	33.03%	$293.76	11.43%	48.23%
	125,000	$246.68	$284.75	15.43%	$329.41	15.68%	33.54%	$367.24	11.48%	48.87%
	150,000	$295.18	$341.43	15.67%	$395.19	15.75%	33.88%	$440.71	11.52%	49.30%
Average Usage	68,508	$137.09	$156.69	14.30%	$180.78	15.38%	31.88%	$201.21	11.30%	46.78%
Median Usage	15,000	$33.28	$48.14	44.66%	$52.76	9.59%	58.54%	$56.71	7.48%	70.40%
Rounded Avg Usage	69,000	$138.04	$157.80	14.32%	$182.08	15.38%	31.90%	$202.65	11.30%	46.81%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$26.25	162.50%	$26.50	0.95%	165.00%	$26.75	0.94%	167.50%
2nd (1/4 of bills < or =)	6,000	$15.82	$32.96	108.35%	$34.30	4.07%	116.83%	$35.48	3.43%	124.27%
3rd (3/8 of bills < or =)	13,000	$29.40	$44.77	52.28%	$48.66	8.69%	65.51%	$51.99	6.84%	76.84%
4th (1/2 of bills < or =)	15,000	$33.28	$48.14	44.66%	$52.76	9.59%	58.54%	$56.71	7.48%	70.40%
5th (5/8 of bills < or =)	52,000	$105.06	$119.26	13.52%	$137.35	15.16%	30.73%	$152.69	11.17%	45.34%
6th (3/4 of bills < or =)	87,000	$172.96	$198.61	14.83%	$229.43	15.52%	32.65%	$255.56	11.39%	47.76%
7th (7/8 of bills < or =)	130,000	$256.38	$296.09	15.49%	$342.57	15.70%	33.62%	$381.93	11.49%	48.97%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
2" Meters:	0	$10.00	$42.75	327.50%	$43.00	0.58%	330.00%	$43.25	0.58%	332.50%
	10,000	$23.58	$56.21	138.38%	$59.01	4.98%	150.24%	$61.41	4.07%	160.43%
	20,000	$42.98	$73.08	70.03%	$79.52	8.81%	85.01%	$85.00	6.90%	97.77%
Morenci	30,000	$62.38	$89.95	44.20%	$100.03	11.20%	60.35%	$108.59	8.56%	74.08%
	40,000	$81.78	$106.82	30.62%	$120.54	12.84%	47.39%	$132.18	9.66%	61.63%
	50,000	$101.18	$123.69	22.25%	$141.05	14.03%	39.40%	$155.77	10.44%	53.95%
Staff Proposal	75,000	$149.68	$171.66	14.69%	$198.12	15.41%	32.36%	$220.55	11.32%	47.35%
	100,000	$198.18	$228.34	15.22%	$263.90	15.57%	33.16%	$294.02	11.41%	48.36%
	125,000	$246.68	$285.01	15.54%	$329.67	15.67%	33.64%	$367.50	11.47%	48.98%
	150,000	$295.18	$341.69	15.76%	$395.45	15.73%	33.97%	$440.97	11.51%	49.39%
Average Usage	38,988	$79.82	$105.11	31.69%	$118.46	12.70%	48.42%	$129.80	9.57%	62.62%
Median Usage	14,000	$31.34	$62.96	100.88%	$67.21	6.76%	114.46%	$70.85	5.41%	126.07%
Rounded Avg Usage	39,000	$79.84	$105.13	31.68%	$118.49	12.70%	48.40%	$129.82	9.57%	62.60%
Octiles										
1st (1/8 of bills <=)	1,000	$10.00	$43.30	333.00%	$43.55	0.58%	335.50%	$43.80	0.57%	338.00%
2nd (1/4 of bills < or =)	3,000	$10.00	$44.40	344.00%	$44.65	0.56%	346.50%	$44.90	0.56%	349.00%
3rd (3/8 of bills < or =)	8,000	$19.70	$52.84	168.20%	$54.91	3.92%	178.71%	$56.70	3.27%	187.82%
4th (1/2 of bills < or =)	12,000	$27.46	$59.58	116.98%	$63.11	5.92%	129.82%	$66.13	4.79%	140.82%
5th (5/8 of bills < or =)	21,000	$44.92	$74.77	66.44%	$81.57	9.10%	81.59%	$87.36	7.10%	94.48%
6th (3/4 of bills < or =)	49,000	$99.24	$122.00	22.94%	$139.00	13.93%	40.06%	$153.41	10.37%	54.58%
7th (7/8 of bills < or =)	108,000	$213.70	$246.48	15.34%	$284.95	15.61%	33.34%	$317.54	11.44%	48.59%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes						PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES			PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES
3" Meters:	0	$10.00	$67.75	577.50%	$68.00	0.37%	580.00%	$68.25	0.37%	582.50%
	20,000	$42.98	$98.08	128.20%	$104.52	6.56%	143.18%	$110.00	5.25%	155.93%
	40,000	$81.78	$131.82	61.19%	$145.54	10.41%	77.96%	$157.18	8.00%	92.20%
Morenci	60,000	$120.58	$165.56	37.30%	$186.56	12.68%	54.72%	$204.36	9.54%	69.48%
	80,000	$159.38	$199.30	25.05%	$227.58	14.19%	42.79%	$251.54	10.53%	57.82%
	100,000	$198.18	$233.04	17.59%	$268.60	15.26%	35.53%	$298.72	11.21%	50.73%
Staff Proposal	125,000	$246.68	$285.07	15.56%	$329.73	15.67%	33.67%	$367.56	11.47%	49.00%
	150,000	$295.18	$341.75	15.78%	$395.51	15.73%	33.99%	$441.03	11.51%	49.41%
	200,000	$392.18	$455.10	16.04%	$527.06	15.81%	34.39%	$587.98	11.56%	49.93%
	300,000	$586.18	$681.80	16.31%	$790.16	15.89%	34.80%	$881.88	11.61%	50.45%
Average Usage	176,050	$345.72	$400.80	15.93%	$464.04	15.78%	34.23%	$517.59	11.54%	49.71%
Median Usage	56,000	$112.82	$158.81	40.76%	$178.35	12.31%	58.09%	$194.93	9.29%	72.78%
Rounded Avg Usage	176,000	$345.62	$400.69	15.93%	$463.91	15.78%	34.23%	$517.45	11.54%	49.72%
Octiles										
1st (1/8 of bills <=)	15,000	$33.28	$89.64	169.36%	$94.26	5.15%	183.24%	$98.21	4.19%	195.10%
2nd (1/4 of bills < or =)	27,000	$56.56	$109.89	94.29%	$118.87	8.18%	110.17%	$126.52	6.43%	123.69%
3rd (3/8 of bills < or =)	36,000	$74.02	$125.07	68.97%	$137.33	9.80%	85.53%	$147.75	7.59%	99.61%
4th (1/2 of bills < or =)	56,000	$112.82	$158.81	40.76%	$178.35	12.31%	58.09%	$194.93	9.29%	72.78%
5th (5/8 of bills < or =)	124,000	$244.74	$282.81	15.55%	$327.10	15.66%	33.65%	$364.62	11.47%	48.98%
6th (3/4 of bills < or =)	205,000	$401.88	$466.43	16.06%	$540.21	15.82%	34.42%	$602.68	11.56%	49.97%
7th (7/8 of bills < or =)	286,000	$559.02	$650.06	16.29%	$753.32	15.88%	34.76%	$840.74	11.60%	50.40%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
4" Meters:	0	$10.00	$87.75	777.50%	$88.00	0.28%	780.00%	$88.25	0.28%	782.50%
	10,000	$23.58	$101.21	329.22%	$104.01	2.76%	341.08%	$106.41	2.31%	351.27%
	20,000	$42.98	$118.08	174.73%	$124.52	5.45%	189.71%	$130.00	4.40%	202.47%
Morenci	30,000	$62.38	$134.95	116.33%	$145.03	7.47%	132.49%	$153.59	5.90%	146.22%
	40,000	$81.78	$151.82	85.64%	$165.54	9.04%	102.42%	$177.18	7.03%	116.65%
	50,000	$101.18	$168.69	66.72%	$186.05	10.29%	83.88%	$200.77	7.91%	98.43%
Staff Proposal	75,000	$149.68	$210.86	40.88%	$237.32	12.55%	58.55%	$259.75	9.45%	73.54%
	100,000	$198.18	$253.04	27.68%	$288.60	14.05%	45.62%	$318.72	10.44%	60.82%
	125,000	$246.68	$295.21	19.67%	$339.87	15.13%	37.78%	$377.70	11.13%	53.11%
	150,000	$295.18	$342.03	15.87%	$395.79	15.72%	34.08%	$441.31	11.50%	49.51%
Average Usage	38,988	$79.82	$150.11	88.07%	$163.46	8.89%	104.80%	$174.80	6.94%	119.00%
Median Usage	14,000	$31.34	$107.96	244.47%	$112.21	3.94%	258.04%	$115.85	3.24%	269.66%
Rounded Avg Usage	39,000	$79.84	$150.13	88.04%	$163.49	8.89%	104.77%	$174.82	6.93%	118.96%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes						PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES			PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES
6" Meters:	0	$10.00	$147.75	1377.50%	$148.00	0.17%	1380.00%	$148.25	0.17%	1382.50%
	20,000	$42.98	$178.08	314.33%	$184.52	3.62%	329.31%	$190.00	2.97%	342.07%
	40,000	$81.78	$211.82	159.01%	$225.54	6.48%	175.79%	$237.18	5.16%	190.02%
Morenci	60,000	$120.58	$245.56	103.65%	$266.56	8.55%	121.06%	$284.36	6.68%	135.83%
	80,000	$159.38	$279.30	75.24%	$307.58	10.12%	92.98%	$331.54	7.79%	108.02%
	100,000	$198.18	$313.04	57.96%	$348.60	11.36%	75.90%	$378.72	8.64%	91.10%
Staff Proposal	125,000	$246.68	$355.21	44.00%	$399.87	12.57%	62.10%	$437.70	9.46%	77.44%
	150,000	$295.18	$397.39	34.63%	$451.15	13.53%	52.84%	$496.67	10.09%	68.26%
	175,000	$343.68	$439.56	27.90%	$502.42	14.30%	46.19%	$555.65	10.59%	61.68%
	200,000	$392.18	$481.74	22.84%	$553.70	14.94%	41.18%	$614.62	11.00%	56.72%
Average Usage	176,050	$345.72	$441.34	27.66%	$504.58	14.33%	45.95%	$558.12	10.61%	61.44%
Median Usage	60,000	$120.58	$245.56	103.65%	$266.56	8.55%	121.06%	$284.36	6.68%	135.83%
Rounded Avg Usage	176,000	$345.62	$441.25	27.67%	$504.47	14.33%	45.96%	$558.01	10.61%	61.45%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes						PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES			PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES
5/8" Meters:	0	$10.00	$9.50	-5.00%	$9.75	2.6%	-2.50%	$10.00	2.56%	0.00%
	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
	3,000	$10.00	$11.15	11.50%	$11.40	2.24%	14.00%	$11.65	2.19%	16.50%
Clifton	5,000	$13.26	$14.04	5.91%	$14.97	6.59%	12.90%	$15.89	6.13%	19.82%
	7,000	$16.52	$16.94	2.53%	$18.54	9.46%	12.23%	$20.13	8.55%	21.83%
	10,000	$21.41	$22.44	4.81%	$25.06	11.68%	17.05%	$27.64	10.31%	29.11%
Staff Proposal	15,000	$29.56	$32.57	10.20%	$36.88	13.22%	24.76%	$41.14	11.55%	39.17%
	20,000	$37.71	$42.71	13.26%	$48.71	14.05%	29.17%	$54.63	12.16%	44.88%
	25,000	$45.86	$52.84	15.23%	$60.53	14.54%	31.99%	$68.13	12.55%	48.56%
	30,000	$54.01	$62.98	16.61%	$72.36	14.90%	33.98%	$81.62	12.80%	51.13%
Average Usage	7,268	$16.96	$17.33	2.18%	$19.02	9.78%	12.17%	$20.69	8.80%	22.04%
Median Usage	4,800	$12.93	$13.75	6.34%	$14.61	6.22%	12.96%	$15.46	5.85%	19.56%
Rounded Avg Usage	7,000	$16.52	$16.94	2.53%	$18.54	9.46%	12.23%	$20.13	8.55%	21.83%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
2nd (1/4 of bills < or =)	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
3rd (3/8 of bills < or =)	3,000	$10.00	$11.15	11.50%	$11.40	2.24%	14.00%	$11.65	2.19%	16.50%
4th (1/2 of bills < or =)	4,000	$11.63	$12.60	8.31%	$13.19	4.71%	13.41%	$13.77	4.39%	18.39%
5th (5/8 of bills < or =)	6,000	$14.89	$15.49	4.04%	$16.76	8.19%	12.56%	$18.01	7.44%	20.93%
6th (3/4 of bills < or =)	10,000	$21.41	$22.44	4.81%	$25.06	11.68%	17.05%	$27.64	10.31%	29.11%
7th (7/8 of bills < or =)	14,000	$27.93	$30.55	9.37%	$34.52	13.01%	23.59%	$38.44	11.35%	37.63%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
3/4" Meters:	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
	3,000	$10.00	$11.15	11.50%	$11.40	2.24%	14.00%	$11.65	2.19%	16.50%
Clifton	5,000	$13.26	$14.04	5.91%	$14.97	6.59%	12.90%	$15.89	6.13%	19.82%
	7,000	$16.52	$16.94	2.53%	$18.54	9.46%	12.23%	$20.13	8.55%	21.83%
	10,000	$21.41	$22.44	4.81%	$25.06	11.68%	17.05%	$27.64	10.31%	29.11%
Staff Proposal	15,000	$29.56	$32.57	10.20%	$36.88	13.22%	24.76%	$41.14	11.55%	39.17%
	20,000	$37.71	$42.71	13.26%	$48.71	14.05%	29.17%	$54.63	12.16%	44.88%
	25,000	$45.86	$52.84	15.23%	$60.53	14.54%	31.99%	$68.13	12.55%	48.56%
	30,000	$54.01	$62.98	16.61%	$72.36	14.90%	33.98%	$81.62	12.80%	51.13%
Average Usage	3,465	$10.76	$11.82	9.90%	$12.23	3.44%	13.68%	$12.64	3.31%	17.45%
Median Usage	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
Rounded Avg Usage	3,000	$10.00	$11.15	11.50%	$11.40	2.24%	14.00%	$11.65	2.19%	16.50%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
2nd (1/4 of bills < or =)	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
3rd (3/8 of bills < or =)	0	$10.00	$9.50	-5.00%	$9.75	2.63%	-2.50%	$10.00	2.56%	0.00%
4th (1/2 of bills < or =)	1,000	$10.00	$10.05	0.50%	$10.30	2.49%	3.00%	$10.55	2.43%	5.50%
5th (5/8 of bills < or =)	5,000	$13.26	$14.04	5.91%	$14.97	6.59%	12.90%	$15.89	6.13%	19.82%
6th (3/4 of bills < or =)	6,000	$14.89	$15.49	4.04%	$16.76	8.19%	12.56%	$18.01	7.44%	20.93%
7th (7/8 of bills < or =)	8,000	$18.15	$18.39	1.29%	$20.33	10.58%	12.01%	$22.25	9.42%	22.56%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
1" Meters:	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
	1,000	$10.00	$11.05	10.50%	$11.30	2.26%	13.00%	$11.55	2.21%	15.50%
	3,000	$10.00	$12.15	21.50%	$12.40	2.06%	24.00%	$12.65	2.02%	26.50%
Clifton	5,000	$13.26	$15.04	13.45%	$15.97	6.16%	20.44%	$16.89	5.75%	27.36%
	7,000	$16.52	$17.94	8.58%	$19.54	8.93%	18.28%	$21.13	8.12%	27.88%
	10,000	$21.41	$22.28	4.06%	$24.90	11.76%	16.30%	$27.48	10.37%	28.37%
Staff Proposal	15,000	$29.56	$32.41	9.65%	$36.72	13.28%	24.22%	$40.98	11.60%	38.63%
	20,000	$37.71	$42.55	12.83%	$48.55	14.10%	28.75%	$54.47	12.20%	44.45%
	25,000	$45.86	$52.68	14.88%	$60.37	14.59%	31.64%	$67.97	12.59%	48.21%
	30,000	$54.01	$62.82	16.31%	$72.20	14.93%	33.68%	$81.46	12.83%	50.83%
Average Usage	7,979	$18.12	$19.35	6.84%	$21.29	10.00%	17.52%	$23.20	8.97%	28.07%
Median Usage	1,500	$10.00	$11.33	13.25%	$11.58	2.25%	15.80%	$11.83	2.12%	18.25%
Rounded Avg Usage	8,000	$18.15	$19.39	6.80%	$21.33	10.03%	17.52%	$23.25	8.98%	28.07%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
2nd (1/4 of bills < or =)	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
3rd (3/8 of bills < or =)	0	$10.00	$10.50	5.00%	$10.75	2.38%	7.50%	$11.00	2.33%	10.00%
4th (1/2 of bills < or =)	1,000	$10.00	$11.05	10.50%	$11.30	2.26%	13.00%	$11.55	2.21%	15.50%
5th (5/8 of bills < or =)	5,000	$13.26	$15.04	13.45%	$15.97	6.16%	20.44%	$16.89	5.75%	27.36%
6th (3/4 of bills < or =)	10,000	$21.41	$22.28	4.06%	$24.90	11.76%	16.30%	$27.48	10.37%	28.37%
7th (7/8 of bills < or =)	18,000	$34.45	$38.50	11.74%	$43.82	13.83%	27.20%	$49.08	11.99%	42.45%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
1 1/2" Meters:	0	$10.00	$26.25	162.50%	$26.50	0.95%	165.00%	$26.75	0.94%	167.50%
	10,000	$21.41	$38.03	77.62%	$40.65	6.89%	89.86%	$43.23	6.35%	101.93%
	20,000	$37.71	$58.30	54.60%	$64.30	10.29%	70.51%	$70.22	9.21%	86.22%
Clifton	30,000	$54.01	$78.57	45.47%	$87.95	11.94%	62.84%	$97.21	10.53%	79.99%
	40,000	$70.31	$98.84	40.58%	$111.60	12.91%	58.73%	$124.20	11.29%	76.65%
	50,000	$86.61	$119.11	37.52%	$135.25	13.55%	56.16%	$151.19	11.79%	74.57%
Staff Proposal	75,000	$127.36	$169.78	33.31%	$194.37	14.48%	52.61%	$218.67	12.50%	71.69%
	100,000	$168.11	$220.46	31.14%	$253.50	14.99%	50.79%	$286.14	12.88%	70.21%
	125,000	$208.86	$271.13	29.82%	$312.62	15.30%	49.68%	$353.62	13.11%	69.31%
	150,000	$249.61	$321.81	28.92%	$371.75	15.52%	48.93%	$421.09	13.27%	68.70%
Average Usage	38,450	$67.78	$95.70	41.18%	$107.93	12.78%	59.23%	$120.02	11.20%	77.06%
Median Usage	30,000	$54.01	$78.57	45.47%	$87.95	11.94%	62.84%	$97.21	10.53%	79.99%
Rounded Avg Usage	38,000	$67.05	$94.79	41.36%	$106.87	12.75%	59.39%	$118.81	11.17%	77.19%
Octiles										
1st (1/8 of bills <=)	12,000	$24.67	$42.08	70.58%	$45.38	7.83%	83.95%	$48.63	7.16%	97.13%
2nd (1/4 of bills < or =)	22,000	$40.97	$62.35	52.19%	$69.03	10.71%	68.49%	$75.62	9.55%	84.58%
3rd (3/8 of bills < or =)	28,000	$50.75	$74.52	46.83%	$83.22	11.68%	63.98%	$91.82	10.33%	80.92%
4th (1/2 of bills < or =)	35,000	$62.16	$88.70	42.70%	$99.77	12.48%	60.51%	$110.71	10.96%	78.10%
5th (5/8 of bills < or =)	38,000	$67.05	$94.79	41.36%	$106.87	12.75%	59.39%	$118.81	11.17%	77.19%
6th (3/4 of bills < or =)	42,000	$73.57	$102.89	39.86%	$116.33	13.06%	58.12%	$129.60	11.41%	76.16%
7th (7/8 of bills < or =)	52,000	$89.87	$123.16	37.05%	$139.98	13.65%	55.76%	$156.59	11.87%	74.24%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes										
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES	PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	PERCENT INCREASE FROM PRESENT RATES
2" Meters:	0	$10.00	$42.75	327.50%	$43.00	0.58%	330.00%	$43.25	0.58%	332.50%
	10,000	$21.41	$54.53	154.69%	$57.15	4.81%	166.93%	$59.73	4.52%	179.00%
	20,000	$37.71	$69.00	82.97%	$75.00	8.70%	98.89%	$80.92	7.90%	114.59%
Clifton	30,000	$54.01	$83.47	54.54%	$92.85	11.24%	71.91%	$102.11	9.98%	89.06%
	40,000	$70.31	$99.68	41.77%	$112.44	12.80%	59.92%	$125.04	11.21%	77.85%
	50,000	$86.61	$119.95	38.49%	$136.09	13.46%	57.13%	$152.03	11.72%	75.54%
Staff Proposal	75,000	$127.36	$170.62	33.97%	$195.21	14.41%	53.27%	$219.51	12.45%	72.35%
	100,000	$168.11	$221.30	31.64%	$254.34	14.93%	51.29%	$286.98	12.83%	70.71%
	125,000	$208.86	$271.97	30.22%	$313.46	15.25%	50.08%	$354.46	13.08%	69.71%
	150,000	$249.61	$322.65	29.26%	$372.59	15.48%	49.27%	$421.93	13.24%	69.04%
Average Usage	64,883	$110.87	$150.12	35.40%	$171.28	14.10%	54.49%	$192.20	12.22%	73.36%
Median Usage	15,000	$29.56	$61.76	108.94%	$66.07	6.97%	123.51%	$70.33	6.44%	137.92%
Rounded Avg Usage	65,000	$111.06	$150.35	35.38%	$171.56	14.10%	54.48%	$192.52	12.22%	73.35%
Octiles										
1st (1/8 of bills <=)	0	$10.00	$42.75	327.50%	$43.00	0.58%	330.00%	$43.25	0.58%	332.50%
2nd (1/4 of bills < or =)	2,000	$10.00	$43.85	338.50%	$44.10	0.57%	341.00%	$44.35	0.57%	343.50%
3rd (3/8 of bills < or =)	3,000	$10.00	$44.40	344.00%	$44.65	0.56%	346.50%	$44.90	0.56%	349.00%
4th (1/2 of bills < or =)	14,000	$27.93	$60.32	115.96%	$64.29	6.59%	130.18%	$68.21	6.10%	144.21%
5th (5/8 of bills < or =)	58,000	$99.65	$136.17	36.64%	$155.01	13.84%	55.55%	$173.63	12.01%	74.23%
6th (3/4 of bills < or =)	106,000	$177.89	$233.46	31.24%	$268.53	15.02%	50.95%	$303.18	12.90%	70.43%
7th (7/8 of bills < or =)	142,000	$236.57	$306.43	29.53%	$353.67	15.42%	49.50%	$400.34	13.20%	69.23%

BILL COMPARISON - STAFF			STEP ONE		STEP TWO			STEP THREE		
NOTE: Bills Exclude Revenue Taxes						PERCENT INCREASE from STAFF STEP 1 PROPOSED RATES			PERCENT INCREASE FROM STAFF STEP 2 PROPOSED RATES	
METER SIZE	MONTHLY USAGE - GALLONS	PRESENT RATES	STAFF STEP 1 PROPOSED RATES	PERCENT INCREASE	STAFF STEP 2 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES	STAFF STEP 3 PROPOSED RATES		PERCENT INCREASE FROM PRESENT RATES
3" Meters:	0	$10.00	$67.75	577.50%	$68.00	0.37%	580.00%	$68.25	0.37%	582.50%
	10,000	$21.41	$79.53	271.46%	$82.15	3.30%	283.70%	$84.73	3.14%	295.76%
	20,000	$37.71	$94.00	149.27%	$100.00	6.38%	165.18%	$105.92	5.92%	180.89%
Clifton	30,000	$54.01	$108.47	100.83%	$117.85	8.65%	118.20%	$127.11	7.86%	135.35%
	40,000	$70.31	$122.94	74.85%	$135.70	10.38%	93.00%	$148.30	9.29%	110.93%
	50,000	$86.61	$137.41	58.65%	$153.55	11.75%	77.29%	$169.49	10.38%	95.70%
Staff Proposal	75,000	$127.36	$179.38	40.85%	$203.97	13.71%	60.15%	$228.27	11.91%	79.23%
	100,000	$168.11	$230.06	36.85%	$263.10	14.36%	56.50%	$295.74	12.41%	75.92%
	125,000	$208.86	$280.73	34.41%	$322.22	14.78%	54.28%	$363.22	12.72%	73.91%
	150,000	$249.61	$331.41	32.77%	$381.35	15.07%	52.78%	$430.69	12.94%	72.55%
Average Usage	103,328	$173.53	$236.80	36.46%	$270.97	14.43%	56.15%	$304.73	12.46%	75.60%
Median Usage	14,000	$27.93	$85.32	205.47%	$89.29	4.66%	219.69%	$93.21	4.39%	233.72%
Rounded Avg Usage	103,000	$173.00	$236.14	36.50%	$270.19	14.42%	56.18%	$303.84	12.45%	75.63%
Octiles										
1st (1/8 of bills <=)	17,000	$32.82	$89.66	173.18%	$94.64	5.56%	188.36%	$99.57	5.20%	203.37%
2nd (1/4 of bills < or =)	32,000	$57.27	$111.36	94.45%	$121.42	9.03%	112.01%	$131.35	8.18%	129.35%
3rd (3/8 of bills < or =)	44,000	$76.83	$128.73	67.55%	$142.84	10.96%	85.92%	$156.78	9.76%	104.06%
4th (1/2 of bills < or =)	72,000	$122.47	$173.30	41.51%	$196.88	13.60%	60.76%	$220.17	11.83%	79.78%
5th (5/8 of bills < or =)	101,000	$169.74	$232.09	36.73%	$265.46	14.38%	56.39%	$298.44	12.42%	75.82%
6th (3/4 of bills < or =)	127,000	$212.12	$284.79	34.26%	$326.95	14.80%	54.13%	$368.62	12.74%	73.78%
7th (7/8 of bills < or =)	154,000	$256.13	$339.52	32.56%	$390.81	15.11%	52.58%	$441.49	12.97%	72.37%

Morenci Water & Electric Company - Water Department
Docket No. W-01049A-11-0311
Test Year Ended December 31, 2010

SUMMARY OF REVENUES AT PRESENT AND PROPOSED RATES / COMPANY & STAFF PROPOSALS

STEP 1

METER SIZE	AVG NO. OF CUST	MONTHLY USAGE - GAL.	PRESENT REVENUES (1)	COMPANY PROPOSAL STEP 1 PROPOSED REVENUES (2)	COMPANY PROPOSAL STEP 1 $ INCREASE W/ COMPANY PROPOSAL	COMPANY PROPOSAL STEP 1 % INCREASE W/ COMPANY PROPOSAL	STAFF PROPOSAL STEP 1 PROPOSED REVENUES (2)	STAFF PROPOSAL STEP 1 $ INCREASE W/ STAFF PROPOSAL	STAFF PROPOSAL STEP 1 % INCREASE W/ STAFF PROPOSAL
MORENCI									
Residential & Commercial Water Sales:									
5/8" Meters	1,215	8,675	$321,210	$353,213	$32,003	9.96%	$339,442	$18,232	5.68%
1" Meters	13	26,733	$8,657	$9,733	$1,076	12.43%	$9,920	$1,263	14.58%
1 1/2" Meters	1	68,508	$1,656	$1,858	$202	12.20%	$1,984	$328	19.81%
2" Meters	40	38,989	$38,808	$45,248	$6,440	16.59%	$54,626	$15,818	40.76%
3" Meters	8	176,050	$32,861	$38,231	$5,370	16.34%	$40,385	$7,524	22.90%
4" Meters	2	379	$240	$1,080	$840	350.00%	$2,106	$1,866	777.50%
6" Meters	1	0	$120	$660	$540	450.00%	$1,773	$1,653	1377.50%
Total R&C Sales	1,280		$403,552	$450,023	$46,471	11.52%	$450,235	$46,683	11.57%
Industrial Water Sales			$156,872.00	$172,559.00	$15,687.00	10.00%	$ 172,559	$ 15,687	10.00%
Other Water Revenues			22,772	22,772	$0.00	0.00%	$ 22,772	$ -	0.00%
Total Water Revenues			$583,196.00	$645,354.00	$62,158.00	10.66%	$ 645,567	$62,370.63	10.69%
CLIFTON									
Residential & Commercial Water Sales:									
5/8" Meters	624	7,268	$136,281.00	$150,762.00	$14,481.00	10.63%	$ 146,561	$ 10,280	7.54%
3/4" Meters	4	6,925	619	664	$45.00	7.27%	$ 637	$ 18	2.90%
1" Meters	19	7,979	4,478	4,967	$489.00	10.92%	$ 4,813	$ 335	7.48%
1 1/2" Meters	1	38,450	813	912	$99.00	12.18%	$ 1,001	$ 188	23.11%
2" Meters	12	64,883	16,130	19,070	$2,940.00	18.23%	$ 22,313	$ 6,183	38.33%
3" Meters	3	103,328	6,247	7,541	$1,294.00	20.71%	$ 8,402	$ 2,155	34.50%
Total R&C Sales	663		$164,568.00	$183,916.00	$19,348.00	11.76%	$ 183,727	$19,159.16	11.64%
Other Water Revenues			10,050	10,050	$0.00	0.00%	$ 10,050	$ -	0.00%
Total Water Revenues			$174,618.00	$193,966.00	$19,348.00	11.08%	$ 193,777	$19,159.16	10.97%
Total Co R&C Sales			$ 568,120	$ 633,939	$ 65,819	11.59%	$ 633,963	$ 65,843	11.59%
Total Industrial			$ 156,872	$ 172,559	$ 15,687	10.00%	$ 172,559	$ 15,687	10.00%
Total Other Water Revenues			$ 32,822	$ 32,822	$ -	0.00%	$ 32,822	$ -	0.00%
Grand Total Water Revenues			$ 757,814	$ 839,320	$ 81,506	10.76%	$ 839,344	$ 81,530	10.76%

NOTES:
(1) Adjusted Revenues Excluding Jobbing Revenues & Hydrant Mainenance Charges
(2) at Step 1 Rates

Morenci Water & Electric Company - Water Department
Docket No. W-01049A-11-0311
Test Year Ended December 31, 2010

SUMMARY OF REVENUES AT PRESENT AND PROPOSED RATES / COMPANY & STAFF PROPOSALS

STEP 2

METER SIZE	AVG NO. OF CUST	MONTHLY USAGE - GAL.	PRESENT REVENUES (1)	COMPANY PROPOSAL STEP 2 PROPOSED REVENUES (2)	COMPANY PROPOSAL STEP 2 $ INCREASE W/ COMPANY PROPOSAL	COMPANY PROPOSAL STEP 2 % INCREASE W/ COMPANY PROPOSAL	STAFF PROPOSAL STEP 2 PROPOSED REVENUES (2)	STAFF PROPOSAL STEP 2 $ INCREASE W/ STAFF PROPOSAL	STAFF PROPOSAL STEP 2 % INCREASE W/ STAFF PROPOSAL
MORENCI									
Residential & Commercial Water Sales:									
5/8" Meters	1,215	8,675	$321,210.00	$388,333.00	$67,123.00	20.90%	$ 373,111	$ 51,901	16.16%
1" Meters	13	26,733	8,657	10,801	2,144	24.77%	$ 11,293	$ 2,636	30.45%
1 1/2" Meters	1	68,508	1,656	2,114	458	27.66%	$ 2,250	$ 594	35.85%
2" Meters	40	38,989	38,808	51,610	12,802	32.99%	$ 61,146	$ 22,338	57.56%
3" Meters	8	176,050	32,861	42,822	9,961	30.31%	$ 46,331	$ 13,470	40.99%
4" Meters	2	379	240	1,680	1,440	600.00%	$ 2,112	$ 1,872	780.00%
6" Meters	1	0	120	1,080	960	800.00%	$ 1,896	$ 1,776	1480.00%
Total R&C Sales	1,280		$403,552.00	$498,440.00	$94,888.00	23.51%	$ 498,137	$94,585.22	23.44%
Industrial Water Sales			$156,872.00	189,815	$32,943.00	21.00%	$ 189,815	$ 32,943	21.00%
Other Water Revenues			22,772	22,772	$0.00	0.00%	$ 22,772	$ -	0.00%
Total Water Revenues			$583,196.00	$711,027.00	$127,831.00	21.92%	$ 710,724	$127,528.34	21.87%
CLIFTON									
Residential & Commercial Water Sales:									
5/8" Meters	624	7,268	$136,281.00	$164,906.00	$28,625.00	21.00%	$ 161,284	$ 25,003	18.35%
3/4" Meters	4	6,925	619	746	$127.00	20.52%	$ 702	$ 83	13.43%
1" Meters	19	7,979	4,478	5,372	$894.00	19.96%	$ 5,287	$ 809	18.08%
1 1/2" Meters	1	38,450	813	1,079	$266.00	32.72%	$ 1,150	$ 337	41.40%
2" Meters	12	64,883	16,130	22,102	$5,972.00	37.02%	$ 25,440	$ 9,310	57.72%
3" Meters	3	103,328	6,247	8,666	$2,419.00	38.72%	$ 9,650	$ 3,403	54.47%
Total R&C Sales	663		$164,568.00	$202,871.00	$38,303.00	23.27%	$ 203,514	$38,945.52	23.67%
Other Water Revenues			10,050	10,050	$0.00	0.00%	$ 10,050	$ -	0.00%
Total Water Revenues			$174,618.00	$212,921.00	$38,303.00	21.94%	$ 213,564	$38,945.52	22.30%
Total Co R&C Sales			$ 568,120	$ 701,311	$ 133,191	23.44%	$ 701,651	$ 133,531	23.50%
Total Industrial			$ 156,872	$ 189,815	$ 32,943	21.00%	$ 189,815	$ 32,943	21.00%
Total Other Water Revenues			$ 32,822	$ 32,822	$ -	0.00%	$ 32,822	$ -	0.00%
Grand Total Water Revenues			$ 757,814	$ 923,948	$ 166,134	21.92%	$ 924,288	$ 166,474	21.97%

Morenci Water & Electric Company - Water Department
Docket No. W-01049A-11-0311
Test Year Ended December 31, 2010

SUMMARY OF REVENUES AT PRESENT AND PROPOSED RATES / COMPANY & STAFF PROPOSALS

STEP 3

METER SIZE	AVG NO. OF CUST	MONTHLY USAGE - GAL.	PRESENT REVENUES (1)	COMPANY PROPOSAL STEP 3 PROPOSED REVENUES (2)	COMPANY PROPOSAL STEP 3 $ INCREASE W/ COMPANY PROPOSAL	COMPANY PROPOSAL STEP 3 % INCREASE W/ COMPANY PROPOSAL	STAFF PROPOSAL STEP 3 PROPOSED REVENUES (2)	STAFF PROPOSAL STEP 3 $ INCREASE W/ STAFF PROPOSAL	STAFF PROPOSAL STEP 3 % INCREASE W/ STAFF PROPOSAL
MORENCI									
Residential & Commercial Water Sales:									
5/8" Meters	1,215	8,675	$321,210.00	$426,191.00	$104,981.00	32.68%	$ 408,014	$ 86,804	27.02%
1" Meters	13	26,733	8,657	$11,425.00	$2,768.00	31.97%	$ 12,479	$ 3,822	44.15%
1 1/2" Meters	1	68,508	1,656	$2,263.00	$607.00	36.65%	$ 2,497	$ 841	50.77%
2" Meters	40	38,989	38,808	$56,545.00	$17,737.00	45.70%	$ 66,715	$ 27,907	71.91%
3" Meters	8	176,050	32,861	$45,550.00	$12,689.00	38.61%	$ 51,837	$ 18,976	57.75%
4" Meters	2	379	240	$1,824.00	$1,584.00	660.00%	$ 2,118	$ 1,878	782.50%
6" Meters	1	0	120	$1,200.00	$1,080.00	900.00%	$ 1,779	$ 1,659	1382.50%
Total R&C Sales	1,280		$403,552.00	$544,998.00	$141,446.00	35.05%	$ 545,438	$141,886.37	35.16%
Industrial Water Sales			$156,872.00	$208,797.00	$51,925.00	33.10%	$ 208,797	$ 51,925	33.10%
Other Water Revenues			22,772	$22,772.00	$0.00	0.00%	$ 22,772	$ -	0.00%
Total Water Revenues			$583,196.00	$776,567.00	$193,371.00	33.16%	$ 777,007	$193,811.00	33.23%
CLIFTON									
Residential & Commercial Water Sales:									
5/8" Meters	624	7,268	$136,281.00	$180,837.00	$44,556.00	32.69%	$ 175,482	$ 39,201	28.77%
3/4" Meters	4	6,925	619	$803.00	$184.00	29.73%	$ 721	$ 102	16.52%
1" Meters	19	7,979	4,478	$5,860.00	$1,382.00	30.86%	$ 5,742	$ 1,264	28.24%
1 1/2" Meters	1	38,450	813	$1,254.00	$441.00	54.24%	$ 1,299	$ 486	59.79%
2" Meters	12	64,883	16,130	$24,593.00	$8,463.00	52.47%	$ 28,442	$ 12,312	76.33%
3" Meters	3	103,328	6,247	$9,512.00	$3,265.00	52.27%	$ 10,847	$ 4,600	73.64%
Total R&C Sales	663		$164,568.00	$222,859.00	$58,291.00	35.42%	$ 222,534	$57,966.35	35.22%
Other Water Revenues			10,050	$10,050.00	$0.00	0.00%	$ 10,050	$ -	0.00%
Total Water Revenues			$174,618.00	$232,909.00	$58,291.00	33.38%	$ 232,584	$57,966.35	33.20%
Total Co R&C Sales			$ 568,120	$ 767,857	$ 199,737	35.16%	$ 767,973	$ 199,853	35.18%
Total Industrial			$ 156,872	$ 208,797	$ 51,925	33.10%	$ 208,797	$ 51,925	33.10%
Total Other Water Revenues			$ 32,822	$ 32,822	$ -	0.00%	$ 32,822	$ -	0.00%
Grand Total Water Revenues			$ 757,814	$ 1,009,476	$ 251,662	33.21%	$ 1,009,591	$ 251,777	33.22%